Culture and Tourism

Annual Report
2015-16

Alberta

Note to readers:
Copies of the annual report are available on the Ministry of Culture and Tourism website **www.culture.alberta.ca**

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Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Fiscal Planning and Transparency Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 20 ministries.

The annual report of the Government of Alberta contains the ministers' accountability statements, consolidated financial statements of the province and *Measuring Up report*, which compares actual performance results to desired results set out in the government's strategic plan.

This annual report of the Ministry of Culture and Tourism contains the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- **the financial statements of entities making up the ministry including the Department of Culture and Tourism, regulated funds and provincial agencies for which the minister is responsible; and**

- **other financial information as required by the *Financial Administration Act* and *Fiscal Planning and Transparency Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report.**

Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2016, was prepared under my direction in accordance with the *Fiscal Planning and Transparency Act* and the government's accounting policies. All of the government's policy decisions as at June 6, 2016, with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[Original signed by]

Honourable Ricardo Miranda
Minister of Culture and Tourism

Message from the Minister

Culture and Tourism is proud to support the growth and progress of Alberta's cultural and creative industries, tourism, recreation and sport, heritage, historic sites and museums, non-profit and voluntary sector, as well as the Francophone Secretariat. There is a continued sense of optimism in these sectors, and we are poised to play a key role in government's plan to diversify the provincial economy and help create jobs. Over the past year, the ministry has had many impressive achievements in spite of ongoing fiscal uncertainty. Our work enhances Alberta's quality of life, supports vibrant, resilient communities, helps contribute billions to our economy and in this challenging economic climate our responsibilities are even more important.

Tourism is a key component of our efforts to diversify the economy. The ministry was involved in many exciting initiatives with industry partners, including the introduction of the Tourism Entrepreneurship Program that offers new and improved tools and services for businesses; the announcement of a new mobile tourism training program through Olds College that lets students earn and learn on the go; the launch of the Edmonton-Amsterdam air service and the announcement of direct flights from Calgary-Beijing, Calgary-London and Edmonton-London. We continue to help attract more visitors to our beautiful province while enhancing their travel experiences.

Alberta's heritage and history are central to our diverse culture, and we recognize the deep roots of Indigenous peoples in Alberta and the shared heritage of everyone who lives in the province. The successful introduction of the 'Report a Find' program and continued support for the preservation of Alberta's historic sites allowed us to tell our story and protect our history. Our provincial heritage facilities continued to share Alberta's vibrant history with people of all ages. Celebrating its 30th year in operation, the Royal Tyrrell Museum of Palaeontology welcomed record numbers of visitors from 139 countries around the world. After 48 years at its current home, the Royal Alberta Museum hosted a 48-hour-long closing weekend celebration that broke attendance records—a fitting final tribute as the museum prepares for its new home in downtown Edmonton.

Alberta's story is also shared through our cultural industries, which include film, television and other screen-based media production, book and magazine publishing and sound recording. In addition to creating thousands of jobs, Alberta productions were recognized for their excellence through multiple nominations and awards. It is a sector that has much potential in contributing to the province's economy. Alberta's cultural tapestry is rich and diverse. We had the opportunity to celebrate that culture and vibrancy through many events and activities including Alberta Culture Days in September and Les Rendez-vous de la Francophonie in March, which saw our French culture on vivid 3D display.

Culture and Tourism's grant programs continue to be a vital aspect of our work, strengthening communities, promoting access, culture, and creating jobs for non-profit/voluntary organizations and the businesses that serve the sector. Over the past fiscal year, the ministry provided over $184.6 million for community-based facilities, projects, individuals and organizations that covered an expansive range of areas from the arts, heritage and major events to international relief, sport and recreation.

By encouraging Albertans to lead active lives and supporting numerous sporting events and recreational initiatives, Culture and Tourism has continued to contribute to healthier communities and a high quality of life in the province. This is just a sampling of our ministry's remarkable accomplishments over the past year, and we look forward to building on these achievements together in 2016-17.

[Original signed by]

Honourable Ricardo Miranda
Minister of Culture and Tourism

Management's Responsibility for Reporting

The Ministry of Culture and Tourism includes the Department of Culture and Tourism and the other reporting entities listed in the ministry overview chart on page six.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and strategic plan, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the ministry rests with the Minister of Culture and Tourism. Under the direction of the minister, I oversee the preparation of the ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with the Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

- Reliability – Information used in applying performance measure methodologies agrees with the underlying source data for the current and prior years' results.
- Understandability – the performance measure methodologies and results are presented clearly.
- Comparability – the methodologies for performance measure preparation are applied consistently for the current and prior years' results.
- Completeness – goals, performance measures and related targets match those included in the ministry's Budget 2015.

As deputy minister, in addition to program responsibilities, I am responsible for the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under ministry administration;
- provide Executive Council, the President of Treasury Board, the Minister of Finance and the Minister of Culture and Tourism information needed to fulfill their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Fiscal Planning and Transparency Act*.

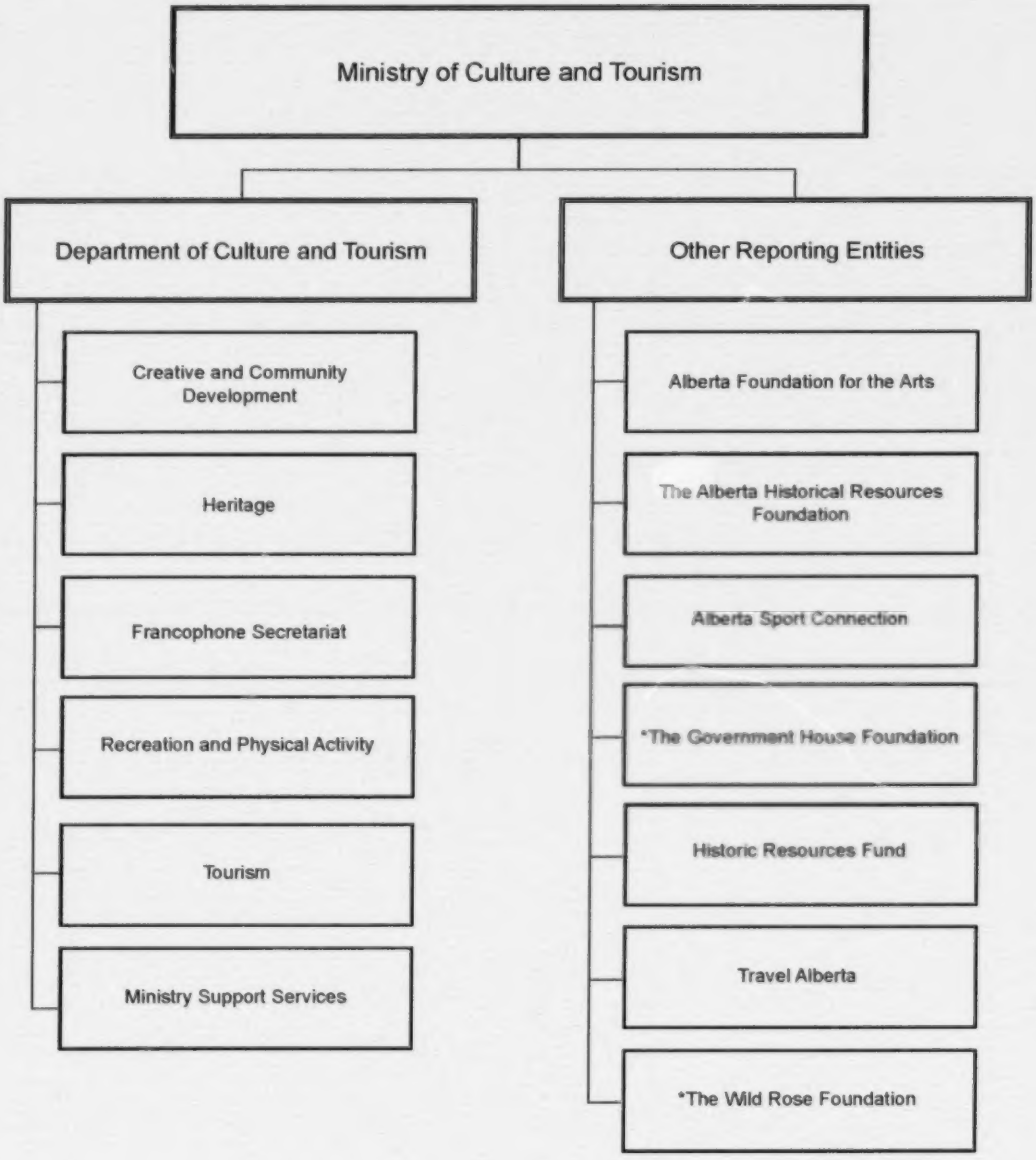
In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executives of the individual entities within the ministry.

[Original signed by]

Darlene Bouwsema
Deputy Minister of Culture and Tourism
June 6, 2016

Results Analysis

Ministry Overview



* In 2015-16, the ministry participated in government's review of agencies, boards and commissions. As a result the Government House Foundation and the Wild Rose Foundation will be dissolved.

The following description of the ministry's structure as of March 31, 2016 provides an overview of the range of programs and services available to Albertans.

Department

1. Creative and Community Development

The Creative and Community Development Division works closely with the non-profit/voluntary sector to ensure it has the capacity to deliver programs and services that are essential to healthy and engaged communities across the province. This includes providing resources, facilitation, consultation and skill development services to communities, networks, organizations, community leaders and government. Community Grants programs such as the Community Facility Enhancement Program and the Community Initiatives Program offer a diverse range of financial supports to meet the needs of non-profit organizations in the delivery of vital programs and services in communities. The division works with communities to facilitate major events during the year including Alberta Culture Days, a three-day celebration of Alberta's cultural diversity; Stars of Alberta, an award ceremony honouring extraordinary Albertans whose volunteer achievements have contributed to the wellbeing of their community; and training and development for non-profit/voluntary sector staff and volunteers.

The division provides support to the Alberta Foundation for the Arts for grant programs and services dedicated to developing and showcasing the arts. It supports the sustainability and growth of Alberta's cultural industries. This includes financial incentives provided through the Alberta Media Fund to support screen-based production, book and magazine publishing, and sound recording industries. The division also manages the Northern and Southern Alberta Jubilee Auditoria. Alberta Film, the provincial film commission, provides locations and logistics support to local productions, helps attract foreign productions to the province. The division also helps Albertans make informed viewing choices by providing film classification services and licences to commercial film distributors that operate in Alberta.

2. Francophone Secretariat

The Francophone Secretariat supports the delivery of government services in French by acting as a liaison between the Government of Alberta and Alberta's Francophone community. It disseminates information in French regarding government programs and services and clarifies the needs of the Francophone community within government. The secretariat manages the Canada-Alberta Agreement on French-Language Services that provides funding to government departments, agencies and Francophone community organizations to develop and enhance services in French. The secretariat also coordinates the Government of Alberta's participation in organizations and events such as the annual Ministerial Conference on the Canadian Francophonie.

3. Heritage

The Heritage Division preserves, protects and presents Alberta's natural and cultural history. The division carries out its mandate by managing and operating a network of 20 provincial heritage facilities consisting of the Provincial Archives of Alberta, Royal Alberta Museum, Royal Tyrrell Museum of Palaeontology, Reynolds-Alberta Museum, Ukrainian Cultural Heritage Village, Remington Carriage Museum and 14 historic sites and interpretive centres. It also manages the provincial heritage collections, and develops and delivers education programs, exhibitions and special events. The division regulates land-based development activities in the province to preserve significant historical resources and protects designated historic places, archaeological and palaeontological sites and historic buildings. It also provides support to the Alberta Historical Resources Foundation.

4. Recreation and Physical Activity

The Recreation and Physical Activity Division is the steward of active living initiatives and works with partners in the recreation, physical activity and sport sectors to develop policy and standards. The division facilitates a coordinated and integrated recreation and physical activity system and engages in the planning and evaluation of quality program initiatives. Support is provided to inform the development of recreation opportunities throughout the province, including the Trans Canada Trail. The division also manages and leverages government resources to benefit recreation and physical activity initiatives and organizations.

5. Tourism

The Tourism Division grows and diversifies Alberta's economy by collaborating with internal and external stakeholders to create new and expanded tourism attractions, destinations and experiences. The division works in close partnership with Travel Alberta, the tourism marketing agency of the Government of Alberta, to agressively grow the tourism industry.

The division develops and implements programs to assist regions, municipalities, associations and alliances to develop niche products and experiences, supporting their growth as tourism destinations. It provides business counselling to tourism entrepreneurs and start-up businesses and attracts capital and business investment in the province. In partnership with stakeholders, the division works to attract new air service to Alberta's network of international and regional airports from key tourism markets, and encourages the federal government to adopt policies that enhance Alberta's air service. The division provides strategic marketing research and intelligence to support stakeholders and Travel Alberta with business planning and decision-making. It develops and implements integrated and coordinated tourism policy that supports the ministry's strategic policy objectives, and contributes to a business and regulatory environment conducive to the expansion of the tourism industry. The division also provides services to travellers through the 1-800-ALBERTA Contact Centre, provincial visitor information centres and community and regional visitor information centres.

6. Ministry Support Services

Ministry Support Services includes the minister's office; deputy minister's office; communications; human resource services; and policy and strategic corporate services. These services are provided to the entire ministry to enhance operating efficiency.

Other Reporting Entities

1. Alberta Foundation for the Arts

The Alberta Foundation for the Arts provides funding to artists and arts organizations to encourage the growth and development of the arts sector in Alberta. Grants from the foundation help to provide opportunities for public participation in, and enjoyment of, the arts; for artists to develop excellence in artistic practice; and for organizations to increase capacity for arts programming. In addition, the foundation collects visual art of artistic and historical significance by Alberta artists and supports programming to display artwork from the collection in communities throughout the province, nationally and internationally.

2. The Alberta Historical Resources Foundation

The Alberta Historical Resources Foundation provides grant assistance for community-based heritage initiatives across the province. These include conservation of historical buildings, as well as the development of interpretive markers, publications and education projects. In addition, the foundation is

responsible for the naming of geographical features in Alberta and supporting the activities of several heritage societies.

3. Alberta Sport Connection

The vision of the Alberta Sport Connection is to make Alberta the premier sport delivery system in Canada; its mission is to enhance, advocate and inspire participation and partnerships as Albertans strive for excellence in sport. Alberta Sport Connection offers a wide variety of programs, consulting services, leadership and grant programs that assist organizations, communities and provincial sport organizations in sport development and high-performance sport. It also coordinates the delivery of the Alberta Games and other inter-provincial multi-sport events.

4. The Government House Foundation*

The Government House Foundation was established to promote the interests of Government House—the former home of Alberta's lieutenant governors. The foundation advised the minister on the preservation of Government House as a historic site and building and enhanced the physical attributes of Government House, including its works of art and furnishings.

5. Historic Resources Fund

The purpose of the Historic Resources Fund is to protect, enhance, promote and display Alberta's historical resources. This is done through funding programs designated by the lieutenant governor in council and by promoting the use and development of related facilities.

6. Travel Alberta

Alberta's tourism marketing initiatives are carried out through Travel Alberta, the tourism marketing agency of the Government of Alberta. Travel Alberta is the steward for the Alberta tourism brand and manages regional, national and international tourism marketing programs, services and activities. Travel Alberta drives tourism visitation and revenue for the province by keeping Albertans travelling throughout Alberta and attracting new visitors outside our borders with compelling invitations to visit Alberta. Travel Alberta also provides marketing support to Alberta's tourism industry with the tools, resources and information necessary to enhance their marketing activities, drive return on investment and leverage strategic partnerships.

7. The Wild Rose Foundation*

The Wild Rose Foundation was established to support Alberta's voluntary sector and promote volunteerism through the provision of financial assistance, skills development and training, and recognition initiatives. The foundation provided funding for the annual Vitalize Provincial Voluntary Sector Conference.

* In 2015-16, the ministry participated in government's review of agencies, boards and commissions. As a result the Government House Foundation and the Wild Rose Foundation will be dissolved.

Discussion and Analysis of Results

Executive Summary

The Ministry of Culture and Tourism supports the development and sustainability of Alberta's cultural industries, tourism, the arts, recreation, physical activity and sport, heritage and the non-profit/voluntary sectors. In 2015-16, the ministry continued to enhance Albertans' quality of life, contribute to the economy, attract and retain a skilled workforce and build Alberta's reputation around the world.

Alberta's culture sector generates significant economic value and is a key driver of creativity in the economy. In 2014, culture goods and services contributed approximately $5.7 billion to Alberta's gross domestic product. This contribution added more to Alberta's economy than the utilities sector or accommodation and food services. The arts and creative industries deliver a competitive edge and help enhance the quality of life of all Albertans. In 2015-16, $22.8 million was provided by the ministry, through the Alberta Foundation for the Arts, for 978 grants to support artists and arts organizations, and $46.7 million through 90 grants to help support Alberta's screen-based, sound recording and print industries through the Alberta Media Fund. This investment creates, sustains and attracts jobs and skilled workers, helps diversify the economy, supports the tourism industry and provides a higher quality of life for Albertans through the creative expression of who we are to the world. The Jubilee Auditoria received $7.3 million to help provide Albertans access to a wide variety of cultural and community events, including international touring theatre companies and musicians that provide Albertans the opportunity to experience world-class entertainment and perform in premier venues.

Tourism is essential to diversifying Alberta's economy and visitor spending impacts many industries including the transportation, retail, accommodation, food and beverage, culture, recreation and entertainment industries. Alberta's reputation as a world-class tourist destination continues to grow, and in 2014, there were over 34.7 million person-visits generating over $8.3 billion in tourism expenditures, an increase of 5.1 per cent from 2013. These tourism expenditures are estimated to contribute over $9.2 billion to Alberta's gross domestic product across tourism-related industries. The ministry invests in world-class facilities and infrastructure that will attract more visitors, enhance Alberta's reputation and ensure accessible travel opportunities for families in Alberta. In 2015-16, $67.7 million was provided for tourism marketing and development, including: $56.0 million to support tourism marketing initiatives through Travel Alberta and $11.7 million to support tourism development and investment attraction.

Ministry funding continued to enable communities to host international-level sporting events,

DID YOU KNOW?

Two of Alberta's major tourism generators, the Calgary Stampede and Edmonton Northlands, are supported by the government through the Major Fairs Program. In January 2016, the administration of this program returned to the Ministry of Culture and Tourism. The program provides operating grants of approximately $7.7 million to both Edmonton Northlands and the Calgary Stampede through funds generated by the Alberta Lottery Fund.

The Major Fairs Program promotes and preserves western heritage and aligns with the wider role of the ministry by supporting and developing the culture and tourism sectors in Alberta. Edmonton Northlands and the Calgary Stampede support thousands of jobs, generate approximately $700 million in economic activity and attract millions of tourists to Alberta each year. Both organizations produce and facilitate numerous events that have strong community and cultural connections, powered by thousands of volunteers.

DID YOU KNOW?

In order to support growth in sport tourism, the ministry has provided funding for economic impact assessments of sporting events hosted by non-profits. Using the Canadian Sport Tourism Alliance's economic impact model, these studies will result in more information about the economic contributions of specific events and will be comparable with data from events held across Canada.

attracting spectators and increasing international and regional visitation to events. Events in 2015-16 included the Lake Louise Alpine Ski World Cup, the International Biathlon Union World Cup and Ski Tour du Canada International Ski Federation Cross Country World Cup at the Canmore Nordic Centre, the International Triathlon Union world event in Edmonton, major national and international curling events and the Canada Cup and Tournament of Hearts in Grande Prairie. Consulting and funding support was also provided for these events by the Alberta Sport Connection through their Events Support Program and the Winter Olympic Legacy Program.

Tourism business development funding of $145,000 was provided to the Conseil de développement économique de l'Alberta to support new and existing operators of heritage and cultural tourism experiences in northeastern Alberta's Lakeland region. This initiative will build on the region's rich Francophone history and connections with Aboriginal communities and provides an opportunity to grow Francophone economic development.

DID YOU KNOW?

The Alberta Historical Resources Foundation Heritage Awards are presented every two years to recognize the outstanding achievements of Albertans engaged in heritage preservation, protection and promotion. Whether it is through dedicated volunteers sharing their passion for local history or municipal leaders conserving cherished landmark buildings across Alberta, there is a growing awareness and appreciation of the province's history and historic resources.

Awards are presented in four categories: Heritage Conservation, Heritage Awareness, Municipal Heritage Preservation and Outstanding Achievement. The Heritage Conservation category was expanded in 2014 and nominations are now accepted for projects involving the conservation and interpretation of palaeontological and archaeological resources.

The preservation and protection of Alberta's rich history creates knowledge and awareness of our past, strengthens pride in our communities and helps to grow economic opportunities for a prosperous future. Funding of $53.4 million was provided in 2015-16 to ensure Albertans have continued access to our museums, archives and historic resources. This includes investment in heritage preservation and support to Alberta's network of 19 museums and historic sites across the province, as well as support to the Provincial Archives of Alberta.

Through the Alberta Historical Resources Foundation, $3.6 million was provided by the ministry to support the Glenbow Museum and $2.1 million to support six Provincial Heritage Organizations: the Alberta Museums Association, Archives Society of Alberta, Historical Society of Alberta, Alberta Genealogical Society, Archaeological Society of Alberta and the Government House Foundation. These organizations use the funds to provide programming and to support their members. Over $2.3 million was also provided by the ministry, through the Alberta Historical Resources Foundation, to organizations and initiatives that continue to support heritage preservation initiatives across the province.

Alberta's non-profit/voluntary sector generates economic activity, and through innovative, community-based programming, responds to local needs with local action using businesses that serve the sector. In 2015-16, $60.2 million was provided through the Community Grants programs: $36.2

million from the Community Facility Enhancement Program, $19.7 million from the Community Initiatives Program and $4.4 million provided through the Other Initiatives Program. Projects included facility upgrades and construction, playground development and support for the delivery of social, cultural and recreational programs and activities.

In 2015-16, the ministry worked with over 500 rural and urban non-profit/voluntary sector community organizations, municipalities and other ministries on 898 projects to help communities and government build on their strengths, address issues and achieve their goals. Over 1,100 sessions were held with more than 18,400 participants. Examples of the work included assisting with developing strategic plans and fund development, board governance training, facilitating community collaborations and facilitating public engagement and stakeholder consultations. These services and workshops are accessible to organizations anywhere in Alberta.

Alberta's Francophone Secretariat represents the needs of the Francophone community in Alberta and supports initiatives aimed at promoting French language and culture in the province. In 2015-16, $1.3 million was used to help support the planning and delivery of quality, French-language services including awarding $650,000 in federal funding through grants and transfers to organizations and initiatives aimed at contributing to the development of Alberta Francophone communities.

The recreation and sport sector contributes to the economy and supports active lifestyles. In 2014, recreation and sport goods and services contributed approximately $750 million to Alberta's gross domestic product. An active lifestyle is important to creating a healthier province. Working with partners and key stakeholders, the ministry contributes to engaging Albertans in active and healthy lifestyles, supporting recreational and physical activity opportunities and assisting athletes to excel in sport. In 2015-16, $2.6 million was distributed through the Organizational Support and Alberta Active Living programs, to help support 24 recreation associations and 16 active-living organizations across Alberta in a collaborative effort promoting recreation and physical activity in schools and communities. These organizations also provide leadership training and development, safety, public awareness and support the outcomes of a more active Alberta.

The ministry continues to support Alberta TrailNet for the development of the Trans Canada Trail across the province. The Trans Canada Trail is a shared use recreational trail accommodating outdoor activities including walking, cycling, horseback riding, cross- country skiing, snowmobiling and paddling that will contribute to growing nature-based tourism opportunities. The ministry worked with Alberta TrailNet and other partners on plans and worked with other levels of government and the non-profit sector to develop new sections of the trail. Plans have been made to ensure the appropriate infrastructure is in place to allow Albertans and visitors of all skills levels safe navigation of the trail. In 2015-16, further development was undertaken including the Athabasca Landing Trail and the High Rockies Trail near Canmore.

DID YOU KNOW?

Alberta's route of the Trans Canada Trail comprises approximately 3,000 km that connects British Columbia, the Yukon and the Northwest Territories to the rest of Canada. Approximately 70 per cent of Alberta's population will be within 30 km of the trail, thereby helping more Albertans of all ages and socio-economic backgrounds to be more active outdoors more often. The trail will also provide increased tourism opportunities by connecting regional trails to a larger network of communities, historic resources and Indigenous sites located on or near the trail. This work is part of a nation-wide vision to create the largest recreational trail in the world.

Municipalities are primary public providers of direct recreation services, often in connection with

community-based, non-profit organizations. Recognizing the need to ensure alignment between policy development and implementation, the ministry engaged municipalities through a series of events for elected officials and senior recreation staff in 2015-16. The events, organized by the ministry and the Alberta Recreation and Parks Association, provided direction for a Municipal Recreation Engagement Strategy supporting a coordinated approach to implementing the *Framework for Recreation in Canada 2015: Pathways to Wellbeing* and the outcomes of a more active Alberta. The five key focus areas of the engagement strategy are awareness, education, relationship-building and knowledge-sharing, policy influence and monitoring.

DID YOU KNOW?

In February and March 2016, with $700,000 provided through the department and the Alberta Sport Connection, the Canmore Nordic Centre Provincial Park hosted both the **International Biathlon Union World Cup** and the inaugural Ski Tour Canada. This was the first time a North American venue hosted World Cup events for both sports in a non-Olympic qualifying year. The month between the events saw Canmore host a Winter Carnival comprised of cultural performances, community celebrations and pageantry. The eight days of racing attracted over 36,000 visitors to the heart of the Canadian Rockies, and helped promote Alberta landscapes through television coverage of the event.

The department manages, on behalf of the Alberta Sport Connection, 23 provincial areas dedicated to providing habitat for wildlife and recreational opportunities for Albertans. The department coordinates the management of these areas with local communities, conservation groups and provincial recreation associations in order to ensure Albertans have access to outdoor recreation opportunities. In 2015-16, the ministry led the process to divest nine properties from the Parks and Wildlife Ventures Program, finding the appropriate recipients to honour and protect the long-term conservation of these natural areas.

In 2015-16, the Alberta Sport Connection spent $24.4 million to support all levels of sport development in the province, promote athletic excellence and multi-sport games and to partner with and fund community initiatives.

DID YOU KNOW?

A unique blend of sport and culture, the 2015 Arctic Winter Games were held in Nuuk, Greenland, March 5-12, 2016. Team Alberta North (239 athletes, coaches, cultural participants and mission staff, representing 34 Alberta communities north of the 55th parallel) participated in the "friendly games" along with athletes from Alaska, Greenland, Northwest Territories, Nunavik, Nunavut, Yukon, Yamal (Russia) and Sapmi (Northern Scandinavia).

Team Alberta North captured 29 gold, 32 silver and 27 bronze medals at the games, competing in a variety of sports and culture events including: snowshoeing, alpine skiing, biathlon, cross-country skiing, hockey, dene games, arctic sports, wrestling and volleyball.

Team Alberta competed in the 2015 Western Canada Summer Games in the Regional Municipality of Wood Buffalo August 7-16, 2015, winning 226 medals – 62 gold, 85 silver and 79 bronze. The 327-member Team Alberta was coordinated by Alberta Sport Connection, which helps Alberta's high-performance athletes train and pursue excellence. Top young athletes competed in the 10-day competition which featured approximately 2,200 athletes from British Columbia, Alberta, Saskatchewan, Manitoba, Northwest Territories, Yukon and Nunavut. The games were the largest multi-sport event ever hosted in the Wood Buffalo region and the community of Fort McMurray.

Nearly 1,800 young Alberta athletes, 11 to 17 years of age, competed in the 2016 Alberta Winter Games, February 13-16, 2016, in Medicine Hat. They were supported by 431

coaches and chaperones, as well as 285 technical officials. The province-wide winter sport competition showcased some of Alberta's best young athletes in a variety of sports including: skiing, hockey, biathlon, curling, speed skating, synchronized swimming, fencing, artistic gymnastics, volleyball and boxing. The games are coordinated by the ministry through the Alberta Sport Connection in partnership with host communities. More than 40 athletes who have participated in past Alberta Winter Games have gone on to represent Canada at the Olympics.

In 2015-16, the ministry participated in government's review of agencies, boards and commissions. The review was undertaken to identify more efficient and strategic use of resources. As a result, three organizational entities of the ministry—the Wild Rose Foundation, Government House Foundation and the Alberta Strategic Tourism Council—will be dissolved and their responsibilities returned to the department. The review also determined the continuation of the Alberta Foundation for the Arts, Travel Alberta, Alberta Historical Resources Foundation and the Premier's Council on Culture, as well as the governance and structure within the ministry. Given the importance and breadth of the work of the Alberta Sport Connection, the ministry sought an independent third-party to examine its operations, benefits and cost-effectiveness, and this review will continue into 2016-17.

Alberta's culture and tourism sectors contribute to the cultural, social and economic well-being of communities across the province. Through the efforts of those working within these sectors, Albertans, Canadians and people around the world are learning more about Alberta's heritage and history. The funding and activities provided by the ministry help to achieve these desired outcomes, demonstrating the ministry's ongoing commitment to building Alberta's capacity for cultural and tourism opportunities. Both sectors continue to play a prominent role in building strong communities for Alberta families, diversifying Alberta's economy and showcasing our resources for the benefit of visitors and investors.

Desired Outcome One

Alberta has a thriving culture that is valued by Albertans

Overview

The ministry helps ensure Alberta is recognized at home and abroad for its unique culture, its cultural tourism opportunities and its distinct and authentic people, places and attitude. It helps build creative and strategic partnerships in areas such as the culture and education sectors. The ministry also leverages Alberta's culture to connect people and communities through our heritage, ideals and values while attracting and retaining newcomers, investors, creative people, visitors and employers.

Results

1.1 Collaborate with Education to further incorporate culture into the education experience of young Albertans.

To further incorporate culture into the education experience of young Albertans, the ministry met regularly with the Ministry of Education. Information was shared and issues of mutual interest were discussed. For example, the ministry provided a list of heritage experts who could help develop new education curricula, and the Ministry of Education provided information on curriculum redesign that could be incorporated in heritage programs. The ministries also explored options to increase youth involvement during Alberta Culture Days. In 2015, approximately 750 students attended Culture Days events at ministry facilities such as the Jubilee Auditoria and the Capital Arts building. In addition, approximately 20 per cent of celebration sites across the province also hosted specific events for young Albertans.

The ministry continued to deliver a wide range of Kindergarten to Grade 12 programs at its heritage facilities, in schools, by videoconference and online. In 2015-16, over 93,000 students participated in 3,421 programs, making the provincial heritage facilities the largest provider of Kindergarten to Grade 12 education programs in Alberta, second only to the formal school system. Students learned about topics such as dinosaurs, the fur trade, electricity, buoyancy, bugs, biodiversity and pioneer life. All education programs are aligned with the Alberta Education

DID YOU KNOW?

Alberta Culture Days is a celebration of the province's art, heritage and communities. It is part of the national Culture Days movement helping increase the awareness, accessibility, participation and engagement in the arts and cultural life of their communities. As part of the 2015 celebrations, Alberta's provincial historic sites and museums offered free family-friendly events and activities during the weekend. Highlights included free interpretive tours; demonstrations by Indigenous artists and buffalo-themed culinary treats at Head Smashed-in Buffalo Jump; special white-glove tours of the Reynolds-Alberta Museum allowing visitors to go behind the scenes; and an evening under the stars accompanied by a concert and presentation on the night sky by the Lethbridge Astronomy Society at the Frank Slide Interpretive Centre.

curriculum and in 2015-16, 97.8 per cent of teachers thought their students learned new information or skills as a result of the program and gave the program an overall satisfaction rating of 98.4 per cent.

1.2 Contribute to the implementation of recommendations outlined by the Truth and Reconciliation Commission and the United Nations Declaration on the Rights of Indigenous Peoples.

The ministry has continued to work towards repatriating sacred ceremonial objects from museum collections. Government is pursuing legislation that is responsive to the needs of other Indigenous communities by enabling the repatriation of their sacred ceremonial objects by expanding the scope on a nation-to-nation basis. Communication has been initiated with First Nations and Métis representatives to seek feedback on this proposal.

In 2015-16, the ministry provided process design and facilitation support to the Creating Hope Society that hosted the Truth and Reconciliation Call to Action Summit. The summit took place on October 9, 2015, and included panel discussions on the artistic collaboration between Sylvie Nadeau, the original artist of Edmonton's Grandin Light Rail Transit Station mural, and Aaron Paquette, and their work in 2014 to modify the mural. The collaboration served as an example of how reconciliation can be achieved through partnership. Five breakout sessions provided opportunities for attendees from different backgrounds and walks of life to come together and discuss what reconciliation would mean in the context of child welfare, education, language and cultures, and criminal justice.

Process design and facilitation services were provided to key stakeholders developing a feasibility study for an Aboriginal Health Centre in Lethbridge. The group discussed issues surrounding Aboriginal health and identified key data to inform the study.

The ministry developed strategies to identify, protect and carefully manage burial sites associated with residential schools. In 2015-16, ministry staff identified relevant archival materials, undertook cross-jurisdictional research and engaged Indigenous communities, survivor groups and the National Centre for Truth and Reconciliation in developing several approaches to the location and preservation of burial sites. Staff also worked with the Aboriginal Engagement Working Group for the Historic Places Collaboration to ensure Indigenous peoples are involved in conserving their historic places, including residential school sites.

DID YOU KNOW?

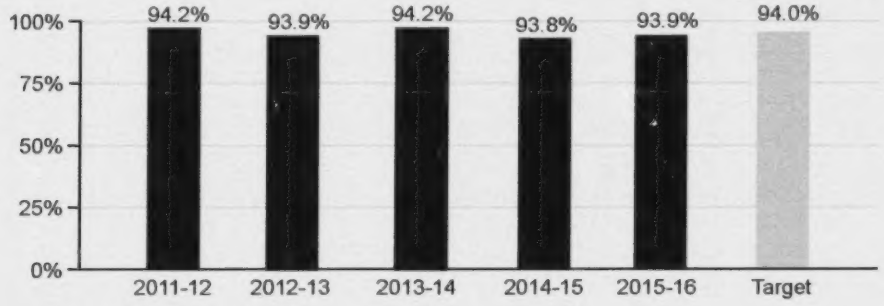
The ministry is a partner with Canadian Heritage, Statistics Canada and other provinces and groups in producing a Culture Satellite Account. Data from this source will be used to help assess the economic impact of Canada's 150th anniversary celebrations. In May 2016, estimates were released that showed Alberta's culture sector added approximately $5.7 billion to the province's gross domestic product in 2014, directly supporting approximately 55,500 jobs.

1.3 Lead the Government of Alberta's contributions to Canada's 150th anniversary celebration to increase awareness of Alberta's culture and heritage.

In order to share information and practices in culture and heritage, discuss issues of mutual interest, and identify areas for collaboration, the ministry met regularly with federal, provincial and territorial governments in the area of culture and heritage. Plans for Canada's 150th anniversary celebrations are ramping up and the ministry is working across government to discuss and organize Alberta's celebrations in alignment with national efforts. The ministry is championing and supporting planning activities to increase awareness of Alberta's culture and heritage.

Performance Measure

1.a Percentage of adult Albertans who feel that historical resources in Alberta communities are important in contributing to the overall quality of life in Alberta



Source: Survey of Albertans on Culture

Description

This measure reflects Albertans' views toward historical resources including museums, archives, historic sites and interpretive centres and relates to the ministry's efforts to promote, preserve and present Alberta's heritage.

Results

The result of 93.9 per cent was 0.1 per cent lower than the 2015-16 target of 94.0 per cent but remains very high and consistent with previous results.

Analysis

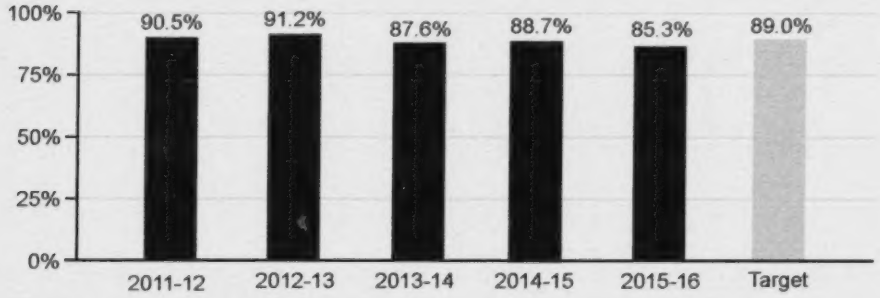
When asked about the potential benefits of Alberta's historical resources and heritage facilities, 96.4 per cent of Albertans responded that the opportunity for education and lifelong learning experiences was important to them overall and, of those, 76.3 per cent responded that it was very important. Albertans also felt historical resources were important to providing recreational opportunities (93.9 per cent), generating visitor spending in local communities (91.6 per cent) and that preserving heritage resources was also important (95.4 per cent).

The ministry provides dynamic educational experiences for people of all ages and backgrounds. Each year, approximately 200,000 children and adults participate in approximately 7,000 heritage programs delivered at provincial facilities, in schools and universities, by videoconference, at conferences and symposia, and through the internet. In addition to Kindergarten to Grade 12 programs, approximately 80,580 Albertans and visitors learned about the province's past through over 5,200 lectures, workshops and conferences held that took place in Alberta, Canada and internationally.

In 2015-16, the Royal Tyrrell Museum of Palaeontology set a new attendance record. A total of 479,666 people saw its world-class exhibits and learned about the creatures that lived in Alberta millions of years ago. Visitors came from 139 countries. Compared to previous years, there was an increase in visitors from the United States, as well as an increase in visits from Albertans and other Canadians.

Performance Measure

1.b Percentage of adult Albertans who feel arts activities are important in contributing to the overall quality of life in their community



Source: Survey of Albertans on Culture

Description

This measure reflects Albertans' perception of the value of arts activities and their contribution to quality of life in their community.

Results

The result of 85.3 per cent was 3.7 per cent lower than the 2015-16 target of 89.0 per cent and 3.4 per cent lower than the 2014-15 result.

Analysis

In 2015-16, the vast majority of Albertans considered arts activities to be an important contributor to their quality of life. The percentage that indicated arts activities are very important in contributing to the overall quality of life in their community was 41.4 per cent, a decrease of 10.1 per cent from 2014-15, reversing the upward trend observed between 2012-13 and 2014-15.

An individual's perception of the importance of the arts contributing to quality of life can be influenced by many factors such as the economy and access to arts events and activities within their community. A number of factors also shape an individual's relationship to arts activities and their perception of the personal benefit of the arts. According to *The Changing Landscape of Arts Participation*, arts participation is motivated by educational, social, aesthetic, emotional and cultural benefits. There are a number of barriers to participation in the arts including historical cultural exclusion, lack of encouragement from family members or social networks, work, family and leisure balance, and structural impediments (e.g., time, transportation, financial).

Ministry funding for arts organizations and individual artists provides opportunities for Albertans to participate in arts activities. By providing operating grants to non-profit organizations that coordinate arts events and projects, the ministry impacts Albertans' perceptions of how the arts contribute to their quality of life.

Desired Outcome Two

Alberta's rich heritage is promoted, and historical resources are preserved and accessible to Albertans, Canadians and international audiences

Overview

The ministry supports this outcome by operating and promoting a network of provincial heritage facilities that includes five museums, fourteen historic sites and interpretive centres, and the Provincial Archives of Alberta. These facilities collect, exhibit, research, interpret and preserve our heritage. The ministry manages an irreplaceable legacy of over nine million historical and scientific objects and 56,000 meters of archival records that tell the story of the people, places and events that shaped the province. Curriculum-based and general interest programs, exhibits and events provide exciting learning opportunities for people of all ages and backgrounds. The ministry administers the *Historical Resources Act*, which empowers the province and municipalities to protect highly significant historic places through special designation. The act also enables the ministry to manage undesignated sites through a variety of conservation measures. As of March 31, 2016, there were 654 designated Provincial Historic Resources and Municipal Historic Resources protected under the act. The ministry regulates land-based development to preserve significant historic resources and ensure that industry adopts appropriate heritage management practices. The Alberta Historical Resources Foundation provides advice and funding assistance for historical preservation and presentation.

Results

2.1 Work in partnership with Infrastructure to develop the new Royal Alberta Museum.

Construction work continued on the new Royal Alberta Museum in 2015-16. In partnership with Alberta Infrastructure, ministry staff monitored progress to ensure the new museum's requirements are addressed. The total project cost of the new museum is estimated to be $375.5 million, with approximately $253 million provided by the Alberta government and $122.5 million from the federal government.

In 2015-16, ministry staff advanced the human history and natural history galleries in the new museum. The design processes are now essentially complete, and the content, intent, objects and interpretive delivery methods confirmed. The anticipated opening date of the new museum is December 2017, coinciding with the museum's 50th anniversary and the close of Canada's 150th anniversary celebration. The new facility will also provide opportunities to preserve and tell the story of Alberta—the experience of people and places over time—and inspire Albertans to explore and understand the world around them.

After 48 years in the neighbourhood of Glenora in Edmonton, the museum officially closed its galleries in preparation for the move. Nearly 36,000 Albertans bid farewell and took in the galleries one last time during the December 4-6, 2015 weekend. Over 16,000 visitors attended on Saturday, December 5, breaking museum records for single day attendance previously set on July 21, 1974 when approximately

13,200 people visited the US Space Spectacular exhibit. The Minister of Culture and Tourism and Francis Alexis, historian with the Alexis Nakota Sioux Nation, joined ministry staff to kick off the celebrations. These included free admission for the entire weekend, family activities and an exhibit showcasing the museum's history and future. Visitors also took the time to detail their favourite memories and share them throughout the wall space of the feature exhibit. While the galleries are now closed, the museum continues to share stories and engage Albertans online during its transition to the new building.

2.2 Provide funding and expertise for the conservation of historic sites, museum objects and archival collections damaged by the 2013 Southern Alberta Floods.

Throughout 2015-16, ministry staff provided advice on conservation strategies and funding opportunities, and continued to play a pivotal coordinating role supporting owners of impacted designated historic resources. The Alberta Culture and Tourism Flood Fund provided approximately $1.5 million to 12 heritage properties in 2015-16, and awarded an additional $1.3 million to 10 of these projects. Engineers and contractors were organized to prepare solutions, undertake work plans and estimate costs for the repair of compromised foundations and site features. Ministry staff conducted 84 site visits and ensured that proposals met accepted conservation standards and funding eligibility criteria. Analyses of pre-existing structural conditions and other corrective work proposals were also synthesized for funding adjudication and the completed work was inspected in order to recommend grant payments.

DID YOU KNOW?

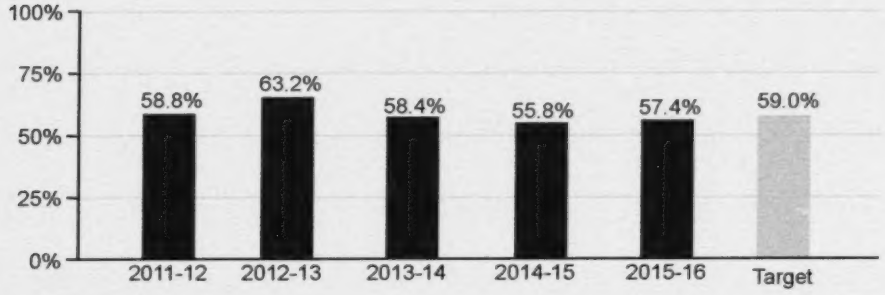
A block containing a partial dinosaur skull, neck and chest was safely extracted from the Castle River after fishermen reported their find to staff at the Royal Tyrrell Museum of Palaeontology. Scientists believe the specimen belongs to a new species of hadrosaur (duck-billed dinosaur) that would have roamed Alberta up to 80 million years ago. It is believed the fossil was dislodged from the Castle River bank during the 2013 floods.

In 2015-16, the ministry also continued to undertake surveys and mitigative work on archaeological and palaeontological sites along rivers in southern Alberta impacted and/or susceptible to future flooding. Palaeontological surveys were conducted along the Bow River, Castle River, Crowsnest River, Highwood River, Little Bow River, Little Red Deer River, Oldman River, Red Deer River, St. Mary River and Callum Creek. Sixty-three new fossil localities were discovered. Eight sites discovered in 2014 were revisited to collect specimens at risk from future flooding. The highlight of this work was the collection of a large, complete ceratopsian (horned dinosaur) skull that was in exceptional condition and is of high scientific interest. Also notably were a series of dinosaur trackways, consisting of approximately 75 footprints from several dinosaur species, discovered along the St. Mary River. At risk from the river but too large to move, the track ways were moulded in latex and replicated at the Royal Tyrrell Museum of Palaeontology. Several turtle fossils were also collected from the Highwood River, including one with a complete skull.

Archaeological surveys were conducted along the Bow River, Highwood, Sheep and Kananaskis rivers and Jumpingpound, Sheep and Fish creeks. Seventy-five new archaeological sites were discovered and 72 previously recorded sites revisited that had been identified as requiring action to minimize the effects of post-flood natural processes. Archaeological excavations have begun at five sites and the analysis and characterization of organic samples collected along the Highwood River will provide important contextual information for the area's archaeological record.

Performance Measure

2.a Percentage of adult Albertans who visited a heritage facility in Alberta



Source: Survey of Albertans on Culture

Description

This measure provides an indication of how many Albertans visited a heritage facility in Alberta in the past year. The heritage facilities included in this measure are not limited to those operated by the ministry.

Results

The result of 57.4 per cent was 1.6 per cent lower than the 2015-16 target of 59.0 per cent and 1.6 per cent higher than the 2014-15 result.

Analysis

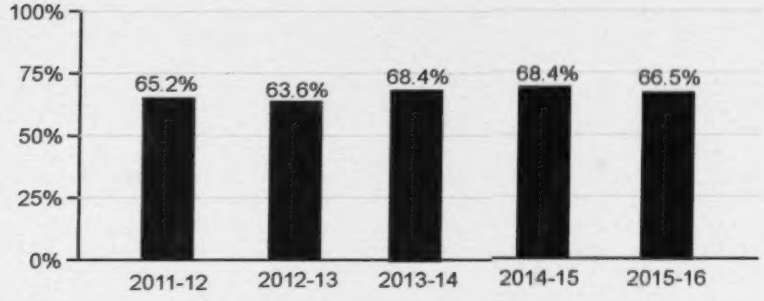
When asked to list the many reasons for their visit, 40.4 per cent of Albertans responded it was out of curiosity and pleasure, while 27.2 per cent indicated that it was for educational purposes. A total of 24.1 per cent felt that it provided a good family activity and an opportunity to show Alberta's heritage to their children, while 23.6 per cent indicated they had a special interest in history.

Heritage facilities provide a unique opportunity for people from all walks of life to discover the richness and grandeur of the Alberta experience. Albertans' visitation to heritage facilities is influenced by many factors, including the condition and types of events and exhibits, other entertainment or educational opportunities and the current economic conditions that impact discretionary spending.

In 2015-16, economic conditions encouraged visitors from the United States to visit Alberta and influenced more Albertans to spend their vacation time in Alberta. A total of 889,868 individuals visited provincially-managed heritage facilities in 2015-16, an increase of 44,988 people over 2014-15. This increase was particularly notable given that the Royal Alberta Museum was closed for part of the year.

Performance Indicator

2.a Percentage of adult Albertans who agree that overall historical resources are being adequately protected and preserved in Alberta communities



Source: Survey of Albertans on Culture

Note: Performance indicators show progress toward achievement of outcomes that the ministry does not have direct influence on. As such, no targets are presented.

Description

This indicator assesses how well Albertans perceive the province's historical resources are being preserved and protected. Albertans were asked to think about the government's role as the steward and custodian of historical resources, particularly with respect to historical buildings and archaeological and fossil resources.

Results

The result of 66.5 per cent is 1.9 per cent lower than the 2014-15 result. Results over the last five years have fluctuated between 63.6 per cent in 2012-13 and 68.4 per cent in both 2013-14 and 2014-15.

Analysis

When asked further about the potential benefits of Alberta's historical resources and heritage facilities, 95.4 per cent of Albertans indicated that the preservation of historical resources was important to them, with 66.1 per cent indicating that it was very important to them.

In 2015-16, the ministry, through the Heritage Preservation Partnership Program, approved approximately $2.2 million in grants to 125 heritage projects. These included 82 heritage conservation projects and 43 projects intended to promote greater understanding and appreciation of Alberta's history. Examples include the conservation of the historic Northern Alberta Railway Station in Sexsmith, a community oral-history project in the Town of High River and the publication of a collection of Blackfoot legends. In addition, the ministry, through the foundation, awarded scholarships totalling $25,000 to three graduate students researching Alberta's history.

Desired Outcome Three

Tourism provides sustainable economic growth to all regions of Alberta through targeted marketing and industry development

Overview

In 2015-16, the ministry, together with destination marketing organizations, industry associations and operators, and other stakeholders, continued to align tourism development and marketing efforts through cooperation and collaboration. The ministry is committed to the expansion of Alberta's tourism industry and to increasing the economic significance of tourism for the province. Together with Travel Alberta, the tourism marketing agency of the Government of Alberta, the department develops and markets Alberta's authentic experiences at home and around the world. To advance tourism development opportunities, the department addresses regulatory and policy issues, collects, interprets and distributes tourism data and market intelligence, and provides assistance to industry and other key stakeholders. This approach enables the identification of business and collaborative opportunities and supports development of tourism experiences, products and destinations throughout the province. To maximize the opportunities tourism creates for every region of the province, the department also provides travellers with information and advice through provincial visitor information centres, community and regional visitor information centres, the Travel Alberta website and the 1-800-ALBERTA Contact Centre.

Results

3.1 Work with tourism stakeholders to develop and enhance products, experiences and destinations that align with local, national and international markets.

In order to better support communities and tourism stakeholders to develop and enhance new and existing tourism events and attractions, the ministry provided financial support to a range of projects.

DID YOU KNOW?

With $100,000 in support from the ministry, Indigenous interpretive programs were developed at Fort Edmonton Park. This will lead to more culturally immersive experiences for visitors.

The ministry provided $90,000 to the community of Bragg Creek to continue its economic recovery from the 2013 Southern Alberta floods. The Bragg Creek Chamber of Commerce has led business, municipal and other community partners to successfully complete a Visitor Friendly Assessment and will in 2016-17 implement improvements to enhance the visual appeal, signage and way finding, public services and amenities and visitor services that support Bragg Creek's tourism appeal.

In 2015-16, the ministry provided $55,000 to support culinary and agricultural tourism opportunities in the Bow Valley and Grande Prairie regions, including a Cook it Raw chef collaborative. Resources to support learning and business development for agricultural tourism operators were also delivered through a successful pilot coaching program for central Alberta participants in Alberta Open Farm Days. Agri-tourism operators were also supported to attend the North American Farm Direct Marketing Association convention

to learn best practices, build networks and gather new ideas to implement in their businesses.

DID YOU KNOW?

Alberta Open Farm Days is a unique tourism partnership experience between the ministry, Alberta Agriculture and Forestry, the Alberta Association of Agricultural Societies and Agriculture for Life. In its third year, Alberta Open Farm Days, August 22-23, 2015, included new signature events in both Edmonton and Calgary and provided improved access points to various participating farm experiences. The 2015 event experienced significant growth over the 2014 event with an increase of 18 per cent in farm participation, 39 per cent in the number of visitors and 123 per cent increase in on-farm product sales. The 2016 Open Farm Days will continue to expand to the province's northeast region in summer 2016.

Funding of $65,000 was provided for the Growing Rural Tourism Conference in Camrose in February 2016. The conference continues to provide opportunities to share insights, successes, challenges and ideas for future growth between rural tourism experts and participants. The second annual Entrepreneurial Challenge saw participation double over last year and was a key opportunity for tourism operators and businesses to test their business growth and expansion plans against other innovators. Three submissions succeeded in convincing a panel of judges to receive coaching and funding for the implementation of their new tourism product or experience.

The ministry also funded the development of the Tourism Vitality Alberta Toolkit that was launched in September 2015 by the Alberta Urban Municipalities Association. The toolkit provides an additional resource for municipalities and tourism industry stakeholders to assess existing strengths and weaknesses, potential tourism opportunities and actions for improving local tourism development.

In 2015-16, a Tourism Opportunity Assessment for the community of Fort Chipewyan was undertaken. This work supports the Fort Chipewyan Tourism Committee, local businesses and community leaders as they explore and identify the community's tourism development potential and strategies that could help the community grow in this direction.

Tourism investment opportunity assessments were completed in 2015-16 for the SouthGrow and central Alberta regions. The ministry managed the projects with an advisory team consisting of municipal contacts within the regions. These assessments identify specific tourism opportunities that can help position the regions as significant tourism destination areas. Business cases are prepared for investment opportunities and promoted to private developers and investors through the department web site.

In 2015-16, the ministry worked with Alberta Environment and Parks and a major accommodation company to ensure the tourism value of the investment was fully achieved and that support and information were provided to the accommodation company on its obligations to the province. Through bi-monthly participation on the Kananaskis Country Interdepartmental Coordinating Committee, the ministry also ensured that tourism industry priorities were considered in government land-use planning decisions.

Information on regulations/policies and guidance was provided to tourism operators and entrepreneurs who made presentations to the Kananaskis Country Interdepartmental Coordinating Committee. Insights and information were also provided to 30 tourism operators and entrepreneurs about business planning and land-use requirements in Alberta for developing new tourism products.

For the 2016 Alberta Hotel and Lodging Convention, the ministry funded and developed the Alberta

Accommodation Outlook Session, which provided members with occupancy and related financial data for the performance of the hotel and lodging sector in Alberta. Specifically, the session informed owners and operators of accommodation properties about the health of the sector and associated business opportunities. It also provided operators with information to assist with their marketing and product development efforts, and gave hotel owners valuable information regarding financing for hotel development. A China Visitor Readiness session was held during the convention as Hainan Airlines will be operating a Beijing, China to Calgary direct flight three times a week starting June 2016. It is estimated the new service will create approximately 600 jobs and bring an annual economic benefit of approximately $75 million to the Calgary region. The convention session provided the accommodation industry with insights into the needs of Chinese visitors and how to facilitate their visitor experience in Alberta.

DID YOU KNOW?

To support small businesses and encourage rural economic development, the ministry implemented the Tourism Entrepreneurship Program on September 21, 2015. The initiative assists Albertans in starting or growing a small business by providing tourism business services and supports across all regions of the province. The goal of the program is to encourage a heightened level of entrepreneurial activity in Alberta's tourism industry. In 2015-16, nine seminars were held across Alberta in Lloydminster, Canmore, Calgary, Strathmore, Nanton, Drumheller, Lac La Biche, High Prairie and Okotoks. Program partners included Travel Alberta, Economic Development and Trade, local Economic Development Offices, Destination Marketing Organizations, Business Link, Community Futures and the Business Development Bank of Canada.

In 2015-16, the ministry began working with stakeholders to develop an Alberta Visitor Services Strategy to guide the province and industry in the delivery of visitor services over the next five to ten years and help ensure visitor needs and expectations are met. The strategy is being developed through a robust process that included the formation of an advisory group, consultations with 17 tourism organizations and 44 community visitor information centres, two focus groups, visitor surveys and a futurist panel consisting of experts in tourism and technology. Strategic priorities will be identified that will guide the delivery of programs and services over the next three years.

To enhance visitor services and engage visitors with trip planning counselling services, mobile visitor servicing was piloted at the Calgary International Airport in the summer of 2015. These kiosks provided more convenient and accessible information to visitors while increasing opportunities for visitor engagement.

The process for developing the Castle Region Tourism Strategy was launched and initial research on tourism opportunities and challenges in the region completed. The ministry also engaged with the Ministry of Environment and Parks on the development of two new provincial parks in the Castle region. The ministry will be developing a Castle Region Tourism Strategy to identify opportunities to support tourism development in the region as part of the 2016-19 business plan.

DID YOU KNOW?

A grant of $80,000 was provided to the Castle Mountain Community Association to help develop a resort master plan for Castle Mountain Resort. The plan will identify a course of action to upgrade the resort and help increase annual tourism numbers.

3.2 Complete a review of Alberta's tourism research needs and implement a plan to assure a comprehensive, evidence-based research approach to drive tourism marketing and development decisions.

The ministry hosted the Tourism Research Forum on June 18, 2015 in Red Deer to bring together key tourism industry stakeholders. The key objectives were to discuss the relevancy and application of tourism research, statistics and marketing effectiveness, as well as to address critical research issues and gaps, identify and pursue collaborative research opportunities and recognize new and improved tourism statistics. The session was attended by approximately 40 tourism professionals, from senior leadership to research support professionals. Two internationally recognized tourism experts, Scott Meis and Bill Siegel, presented information on the Canadian system of tourism statistics and measuring tourism marketing effectiveness. The final segment of the forum engaged participants in prioritizing data needs for Alberta that provided structure for an integrated research strategy implemented in October 2015.

The ministry expanded the Alberta Market Monitor that presents key tourism indicators in Alberta and serves as a dashboard to provide more timely and effective information. The monitor now includes additional economic and tourism metrics such as oil prices, exchange rates, hotel investment projects in Alberta and revenue per available room. An analysis section was introduced to provide more insight on the trends within the industry. From March 2016, the accommodation indices data were further expanded to include more detailed regional data in response to feedback heard at the Tourism Research Forum. These enhancements will provide more timely and detailed accommodation data for the tourism industry in Alberta.

No tourism economic impact assessments were undertaken in 2015-16 due to the time lag in receiving data from Statistics Canada. The ministry explored options for alternative economic impact assessments through conversations with experts in private organizations and in the provincial and federal government, to determine the most sustainable way forward in Alberta. The International Travel Survey Pilot Study is a partnership between the ministry, other provinces and federal partners to execute an international travel survey at specified land ports and airports. With Alberta Culture and Tourism acting as contract manager, the pilot study will assess the feasibility of implementing a broader scale survey across Canada in the future and developing an effective and practical collection methodology for international visitors to Canada. Less granular data has been made available from Statistics Canada's International Travel Survey, and changes to the methodology have made year-over-year comparisons difficult. The International Travel Survey Pilot Study is one way of exploring whether alternative data would be available.

Two other substantial research studies were initiated in 2015-16, to assist Travel Alberta, government and industry stakeholders with strategic information to enable better business decision-making. The Québec Market Potential Study, started in February 2016, aims to provide an understanding of the perception residents of Québec have about Alberta's image, as well as their awareness and interest in Alberta as a leisure tourism destination. The study will also explore key motivations and influences for travel. The Visiting Friends and Relatives Study started in January 2016, and provided an in-depth look at this market for generating leisure tourism visits to Alberta. This research will make an important contribution towards better understanding the nature and size of the market as well as ways to promote and support it. It will also help Travel Alberta to strategically direct marketing efforts for to visiting friends and relatives market in Canada and internationally.

3.3 Work with industry and other stakeholders to identify and implement medium and long-term strategies to build a sustainable tourism industry workforce.

In February 2016, the ministry announced a new mobile training and hospitality program developed in collaboration with Olds College and the Alberta Hotel and Lodging Association. The program, which will

be available in the fall of 2016, will provide front-line hospitality staff with professional development and learning. The mobile delivery of the program will provide accessible training options and deliver targeted, specialized training that will help enhance Alberta's tourism workforce.

3.4 Execute a tourism marketing strategy through Travel Alberta to grow tourism revenues by directing the Alberta tourism brand at high-potential regional, national and international markets.

A strong brand is the foundation for how the ministry, through Travel Alberta, builds meaningful and emotional connections with travellers. By developing brand awareness and capturing consumer interest through marketing campaigns such as *(remember to breathe)*, the ministry differentiates Alberta as a travel destination from the rest of the world. Consumer travel, travel trade, media relations, meetings, incentives, conventions and events, and digital and social marketing efforts build upon this strong brand foundation, reaching high-yield travellers in Alberta's target markets and resulting in more visits to Alberta.

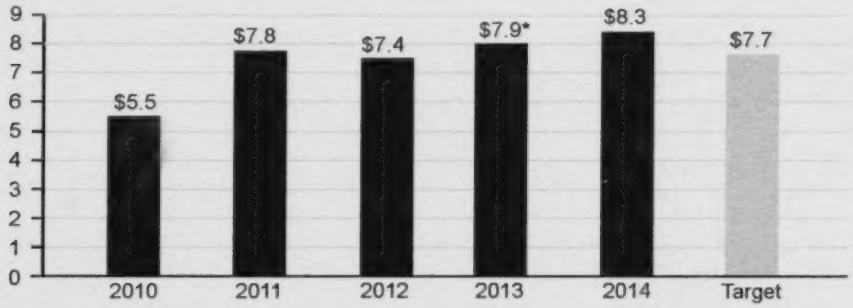
Social media has changed the way the world communicates and is transforming how the ministry markets Alberta's tourism experiences. The ministry, through Travel Alberta, is leveraging these consumer conversations with a strategy to work with social media influencers to share Alberta tourism stories with their online communities. These authentic voices are helping to make Alberta one of the most talked-about travel destinations in the world.

DID YOU KNOW?

In 2015-16, the department worked with Travel Alberta to launch an experiential travel training program for Alberta's tourism industry. SHifT: Transforming Products to Experiences is the only program of its kind in western Canada. The program provides education around the creation of new experiences that will attract new customers, diversify product offering and generate new revenue.

The ministry supports Alberta tourism partners across the province with strategies and tactics to help grow their businesses and market their experiences. The ministry collaborates and supports local tourism businesses by providing tools, resources and information to reinforce market readiness. The Travel Alberta Training Academy delivers academic and practical information for entry-level to experienced tourism marketers. Building educational partnerships and working with training professionals in the development of our programs and services ensures that content is relevant for Alberta's tourism industry and that the ministry, through Travel Alberta, creates opportunities for further alignment and growth of the industry.

3.a Total tourism expenditures in Alberta ($ billions)



Source: Statistics Canada, Travel Survey of Residents of Canada and International Travel Survey

Note: Measured in current dollars ($ billion) and includes expenditures made by residents and non-residents. In 2011, Statistics Canada revised the methodology for the Travel Survey of Residents of Canada that increased estimates of visits and expenditures, creating a break in the series. Results from 2011 are not comparable with previous results.

*The 2013 result was revised based on final data from Statistics Canada for the International Travel Survey.

Description

This measure indicates the annual value of all tourism-related expenditures in Alberta. This includes expenditures made in Alberta by visitors from overseas, the United States, other Canadian provinces and by Albertans.

Results

The 2014 result of $8.3 billion was $0.4 billion higher than the 2013 result of $7.9 billion and $0.6 billion higher than the target of $7.7 billion.

Analysis

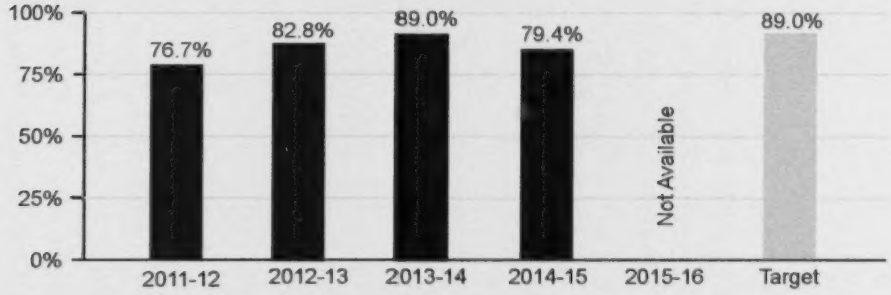
The increase in total tourism expenditures in 2014 was driven by growth in expenditures by Albertans, visitors from the United States and from overseas markets.

Total tourism expenditures by Albertans increased by 2.1 per cent to approximately $5.0 billion in 2014. Expenditures by Albertans remain the largest contributor to total tourism expenditures accounting for 60.4 per cent of total expenditures. While demonstrating positive growth in 2014, this growth was 4.7 per cent lower than the growth observed in 2013 (6.8 per cent). Economic conditions and discretionary spending may be contributing factors to the lower domestic growth rate. Expenditures by other residents of Canada increased by 1.3 per cent in 2014. Expenditures by visitors from the United States increased by 12.1 per cent to approximately $731 million, and expenditures by overseas visitors increased by 21.8 per cent to approximately $1.1 billion in 2014.

The 2014 result may be attributed to several key factors, including increased awareness of Alberta as a result of Travel Alberta brand and marketing efforts, the low Canadian dollar, an increase in staycations by Albertans, the recovery in the United States' economy, as well as improved air access from select markets in the United States, Europe and Asia.

Performance Measure

3.b Percentage of tourism industry clients satisfied with tourism development services



Source: Tourism Division Client Satisfaction Survey

Description

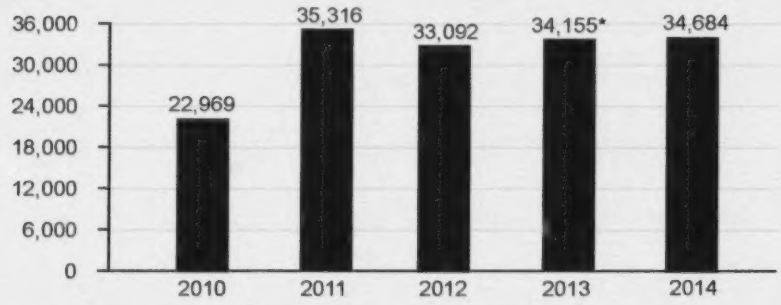
This measure indicates the percentage of public and private sector tourism industry clients who were satisfied with their contact with the Tourism Division. The division provides a range of information and advisory resources for new and expanded tourism development projects throughout Alberta. Services are organized under three distinct program areas: resource management and development; destination development and product enhancement; and tourism business development and investment.

Results

The 2015-16 result was not available prior to going to print. An online update of this measure will be posted when the information is available.

Performance Indicator

3.a Tourism visitation (thousands of person-visits)



Source: Statistics Canada, Travel Survey of Residents of Canada and International Travel Survey.

Note: Performance indicators show progress toward achievement of outcomes that the ministry does not have direct influence on. As such, no target is presented. In 2011, Statistics Canada revised the methodology for the Travel Survey of Residents of Canada that increased estimates of visits and expenditures, creating a break in the series. Results from 2011 are not comparable with previous results.The timing of the results has also altered since the methodology change in 2011.

*The 2013 result was revised based on final data from Statistics Canada for the International Travel Survey.

Description

This indicator measures the annual volume of all tourism-related visitations in Alberta including visitation by Albertans, residents of Canada from other provinces, overseas visitors and visitors from the United States.

Results

The 2014 result of 34.7 million person-visits was 1.5 per cent higher than the 2013 result.

Analysis

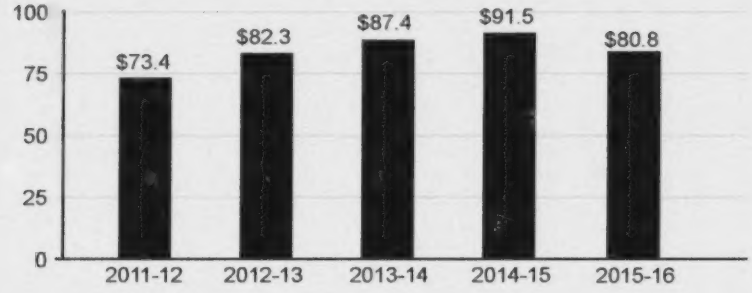
Tourism visitation in 2014 was driven by visitors from Alberta, the United States and overseas markets. Visitation by Albertans increased by 1.2 percent, and continued to be the largest contributor to total visitation at 86.0 per cent. Visitation from other residents of Canada increased by 0.5 per cent in 2014 following a decrease in visitation in 2013. Visitation from overseas markets experienced a significant increase of 17.0 per cent in 2014, and visitation from the United States increased by 2.0 per cent.

All seven of Travel Alberta's main overseas target markets (i.e., United Kingdom, Australia, Germany, Japan, China, the Netherlands and South Korea) saw increased visitation in 2014. The increasing trend in overseas visitation may be due to the continued expansion of direct air access in key markets and increasing seat capacity. From 2013 to 2014 there was also a 7.0 per cent increase in direct air access via the United States.

The travel industry in Canada and Alberta is heavily dependent on the domestic market. Travel to see friends and family is the most common type of trip taken by Albertans and other Canadians, followed by travelling for pleasure and travelling for business purposes.

Performance Indicator

3.b Alberta's tourism levy ($ millions)



Source: Alberta Treasury Board and Finance

Note: Performance indicators show progress toward achievement of outcomes that the ministry does not have direct influence on. As such, no targets are presented.

Description

The tourism levy is a 4.0 per cent charge based on the purchase price for accommodation, excluding the cost of meals and other services. The levy provides information on the activity levels of Albertans, other visitors and business travellers using accommodations like a hotel, motel, apartment building, hostel, lodging house, boarding house, bed and breakfast, club or similar establishment in Alberta.

Results

The 2015-16 result of $80.8 million was $10.7 million lower than the 2014-15 result.

Analysis

The tourism levy reflects movements in both the price of accommodation in Alberta and the number of visitors using these accommodations for tourism, commercial and personal reasons.

In 2015-16, the average occupancy rate at accommodations in Alberta (excluding resorts) was 58.5 per cent, a decrease of 9.1 per cent from 2014-15, and the average daily room rate decreased by 2.4 per cent. At Alberta resorts, the occupancy rate increased by 2.5 per cent to 62.3 per cent in 2015-16 and the average daily room rate increased by 8.4 per cent.

Calgary international airport experienced growth of 1.4 per cent in the total number of passengers enplaning or deplaning in 2015-16. The number of domestic passengers increased by 2.1 per cent, the number of trans border passengers decreased by 1.8 per cent and the number of international (overseas) passengers increased by 3.3 per cent. Edmonton International Airport experienced a decline of 0.7 per cent in overall air passenger traffic in 2015-16.

Desired Outcome Four

Alberta has resilient and engaged communities supported by a strong non-profit/voluntary sector

Overview

The ministry provides support to this outcome through capacity-building initiatives within Alberta's communities and the non-profit/voluntary sector. This includes working in collaboration with the sector and enhancing awareness, recognition, leadership and training. The ministry also provides facilitation and consultation services, as well as public participation and stakeholder consultation processes to the non-profit/voluntary sector, community organizations, networks and government entities. To encourage and promote engaged and inclusive communities, the Alberta Nonprofit/Voluntary Sector Initiative enables work towards solutions for critical non-profit/voluntary sector issues and the promotion of healthy, active and sustainable communities. In addition, the ministry provides financial support to Alberta's community organizations, non-profit organizations and public-use facilities through a diverse range of programs and grants.

Results

4.1 Implement the 2013-18 Canada-Alberta Agreement on French-Language Services Action Plan.

In 2015-16, the ministry, through the Francophone Secretariat, worked in collaboration with other government ministries and community stakeholders to offer services in French. Services were focused on priority areas such as primary health care, wellness, social services, early childhood development, social justice, settlement and integration, heritage preservation, and arts and culture.

In collaboration with Alberta Human Services and the Fédération des parents Francophones de l'Alberta, the ministry provided $100,000 to support the development and implementation of a network of Francophone Parent Link Centre services. This will enable Francophone parents and children in Alberta to have greater access to support services in French. Year one of this three-year pilot established the parameters through which the federation will support programming in Edmonton and Calgary. These services will be expanded across the province. The Francophone population has grown by approximately 40 per cent over the last 20 years, almost twice the rate of the province's overall population.

Support of $25,000 was provided to the Association canadienne-française de l'Alberta, régionale de St-Paul, to help the implementation of Francophone daycare services, providing 21 new childcare spaces for French-speaking families. The ministry provided $40,000 to support the Association canadienne-française de l'Alberta, régionale de Calgary to establish a primary health care clinic providing French-language services and to help establish the governance model and create partnerships working towards a sustainable service for French-speaking Calgarians. In addition, $50,000 in funding was awarded to the

Association canadienne-française de l'Alberta, régionale de Wood Buffalo to provide economic and social support services to French-speaking Albertans. These services included workshops, Construction Safety Training System and Oil Sands Safety Association training courses, First Aid and Alberta Basic Security training to over 1,150 clients in Fort McMurray.

The Association des juristes d'expression française de l'Alberta benefited from $10,000 in funding from the ministry to establish the Justice Information Centre—a bilingual referral service for judicial resources, programs and services across the province. The mapping of services and partnerships identified 82 services in 27 localities. The centre, in its first year of operations, provided services to approximately 1,000 clients from across Alberta.

DID YOU KNOW?

French cultures were on display as Alberta celebrated *Les Rendez-vous de la Francophonie*, March 3 to March 23, 2016. The province kicked-off this annual celebration with a public event in the Legislature hosted by the Honourable Robert E. Wanner, Speaker of the Legislative Assembly of Alberta. The event was followed by community gatherings, concerts, performances, contests, traditional sugar-shack activities and educational opportunities—all organized around the theme La Francophonie in 3D: Diversity, Duality and Dynamism

Les Rendez-vous de la Francophonie is one of the events surrounding International Francophonie Day, on March 20. Approximately 10 million Canadians participate in the celebrations each year. Alberta has the third largest minority Francophone population after Ontario and New Brunswick.

The Société historique Francophone de l'Alberta was awarded $20,000 by the ministry, through the Francophone Secretariat, to support the consolidation of the history and heritage sector of Alberta's Francophone community. They compiled and archived 225 articles on their website related to Francophone heritage and partnered with Institut pour le patrimoine de la francophonie de l'Ouest at the University of Alberta to facilitate the research of Francophone archives.

Through support for governance training, feasibility studies, business plans and other proposals, the ministry provided $20,000 in funding to the Fédération des parents Francophones de l'Alberta in order to build community capacity for the delivery of services in French, and to explore various organizational models to develop resources for the creation of Francophone childcare spaces (i.e., day homes, private and non-profit daycares). The research and feasibility study determined the need for more Francophone childcare spaces and the various strategies to be considered in the short, medium and long term in growing the number of childcare spaces.

DID YOU KNOW?

The Provincial Archives of Alberta and the Royal Alberta Museum both received support from the Francophone Secretariat to provide French-language services and programming to the public. The archives were given $70,500 to provide bilingual staff to help with research and archiving of Francophone archives. The museum was provided $50,000 to support bilingual services to visitors and school groups visiting the museum. The museum has also used funding to translate permanent exhibits to be featured in the new museum.

The ministry awarded a $50,000 grant to the Learning Centre Literacy Association for producing an adult-learning pedagogical program focused on adult literacy and acquisition of essential skills. The basis of the program will demonstrate that a second language is easier learned in an environment where the learner's first language is used to teach and learn.

DID YOU KNOW?

The Science Alberta Foundation, operating as Mindfuel, benefitted from $10,000 in funding from the ministry to provide students with science learning experiences in French via the web. Since its launch in 2014, http://fr.wonderville.ca/ has provided over 75,000 learning experiences in French.

To support a project aimed at ensuring rural Albertans have access to justice in both official languages of Canada, the ministry provided $20,000 in funding to the Alberta Rural Development Network. The network created an oversight committee comprised of experts in various fields to build partnerships and provide guidance in creating connections between bilingual law students and rural or regional communities through a website, as well as through job fairs and presentations.

4.2 Collaborate with non-profit/voluntary sector partners to strengthen capacity, improve services and support community initiatives.

DID YOU KNOW?

Eight dedicated young Albertans received the Queen Elizabeth II Golden Jubilee Citizenship Medal in 2015-16, to recognize their volunteerism and leadership in communities and schools. Medal recipients are selected from among the Alberta high school students who receive the Premier's Citizenship Award. Medal recipients are chosen by a selection committee of Albertans who are themselves outstanding citizens, volunteers and community members.

The award includes a letter of congratulations from the Minister of Culture and Tourism, a $5,000 cheque and a letter of commendation presented by the Lieutenant Governor. The award program is operated in partnership between Culture and Tourism and the Ministry of Advanced Education.

In 2015-16, the ministry continued to provide secretariat support to the Leaders' Council of the Alberta Nonprofit/Voluntary Sector Initiative. The initiative provides a mechanism to identify and resolve issues relating to the sector through mutual and meaningful dialogue between senior government officials and leaders within the sector. It provides opportunities for key stakeholders to provide personal knowledge and input. A strategic intent document was completed to describe the vision and future direction of the initiative, and it will be used in conversations with key stakeholders to guide work for the next stages. The long term outcome for the leaders' council is to champion and model the concept that by working within a trusting and collaborative environment, both government and the sector mutually benefit from their goal of serving Alberta's communities.

The ministry worked with other community capacity-building organizations to expand the Board Leadership Conference model from Edmonton to other areas of the province. Board leadership events were held in Edmonton, St. Paul, Medicine Hat and Calgary. These day-long conferences are planned, staged and hosted collaboratively by local committees composed of non-profit capacity building organizations and ministry staff. The conferences were aimed at individuals new to serving on the board of a non-profit organization. The evaluations from participants were positive, indicating the relevancy of topics including board roles and responsibilities, bylaws, policies and procedures, and risk management. Participants reported the value of also having this training available and accessible to non-profit organizations outside of Calgary and Edmonton.

The Board Leadership Edmonton collaborative community team designed and delivered an Emergent Thinking event in response to a perceived gap in affordable, advanced non-profit governance training. Overall, 84 per cent of respondents reported the event to be somewhat or very valuable and 92 per cent

found the content of the sessions relevant to their role as board members.

Ministry staff partnered with the Ministry of Labour on the 2015 Alberta Wage and Salary Survey. This enabled the capture of labour demand and salary information about occupations in the non-profit/voluntary sector in Alberta. This was the first time the sector has been included in the survey. It provides analysis of wage rates in the sector, by specific occupation and through comparisons to equivalent public and private sector jobs. It also provides a gauge of the labour demand in the sector for specific occupations and current vacancies in the sector. Information from the survey was disseminated to key stakeholders to better inform them on trends in the sector.

DID YOU KNOW?

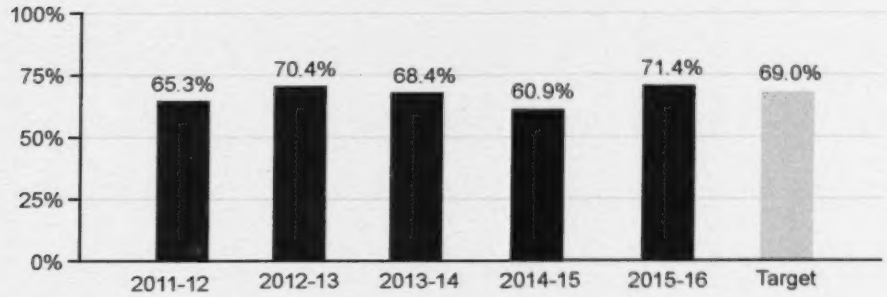
Dedicated Albertans who are helping to build strong communities through grassroots community service are the focus of celebrations across the province during National Volunteer Week.

Across Alberta, events and activities take place in April to honour those who are at the heart of the social, cultural and recreational programs that make communities great. The 2016 year's theme, *'volunteers are the roots of strong communities,'* had more than 90 communities hosting activities to recognize local volunteers, supported by $65,000 in funding from the ministry and administered by Volunteer Alberta.

To strengthen capacity and improve services supporting the non-profit/voluntary sector, the ministry undertakes regular reviews of its programs as part of prudent program management. This includes reviewing, training and learning needs for the sector, management of police information checks for volunteers and overall grant program management.

Performance Measure

4.a Percentage of adult Albertans who volunteered with organizations in their community



Source: Survey of Albertans on Culture

Description

This measure indicates the level of community volunteerism with charitable or non-profit organizations in a given year and the percentage of adult Albertans who made an unpaid contribution of time, energy and/or talents.

Results

The result of 71.4 per cent was 2.4 per cent higher than the 2015-16 target of 69.0 per cent and 10.5 per cent higher than the 2014-15 result.

Analysis

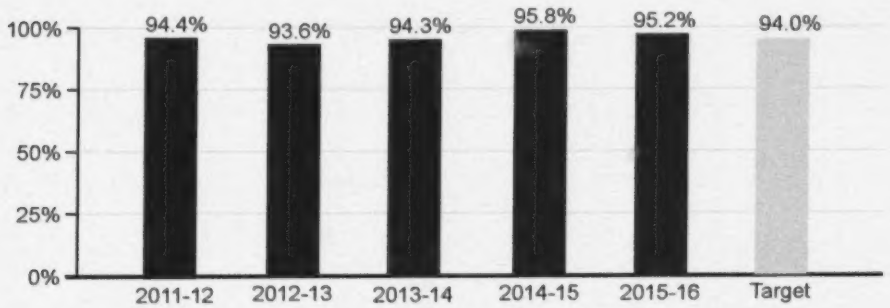
In 2015-16, 32.9 per cent of Albertans volunteered in human services (e.g., food bank), 25.8 per cent in sports, 22.2 per cent in recreation, 21.1 per cent in youth development, 18.1 per cent in arts and cultural areas, 5.3 per cent in libraries and 23.7 per cent in other types of volunteer work (e.g., animal rescue). Results show that of those Albertans who volunteer, 52.9 per cent volunteer up to five hours per month.

Most areas displayed increases in volunteer rates in 2015-16, except for recreation, youth development and libraries, all of which stayed the same or decreased. Significant environmental events in Alberta may have impacted the high rates of volunteering observed in recent years; these included the fire at Slave Lake in 2011-12, ice storms in 2012-13 and the floods in 2013-14. While the 2014-15 result returned to the levels seen prior to these events, the result in 2015-16 may be impacted by people volunteering during federal and provincial elections and/or supporting Syrian refugees coming to the province. This year, in order to better understand volunteer behaviour, the survey question included three new categories previously captured as other types of volunteer work. Albertans were asked if they volunteered in regards to the environment (20.0 per cent), as a board member of a nonprofit (18.1 per cent) or in law, advocacy or politics (9.2 per cent). The overall result may also be impacted by respondents being specifically asked about these areas.

Of those Albertans who had not volunteered, 63.4 per cent of Albertans indicated the primary barrier was lack of time (an increase of 8.0 per cent compared with 2014-15) while 15.3 per cent cited disability or health problems (including age). Alberta's volunteerism rate is also influenced by the economy, job market, availability of free time and Albertans' health.

Performance Measure

4.b Percentage of facilitation participants who are able to apply/use the results from the services



Source: Client Satisfaction Survey, Customer Service Information System

Description
This measure indicates the percentage of clients who are able to apply/use the results from the ministry's customized capacity-building facilitation workshops. These services provide support to non-profit/voluntary and government organizations to achieve their outcomes, such as a strategic plan, agreement on a contentious issue or collecting extensive input on an idea.

Results
The result of 95.2 per cent was 1.2 per cent higher than the 2015-16 target of 94.0 per cent and 0.6 per cent lower than the 2014-15 result.

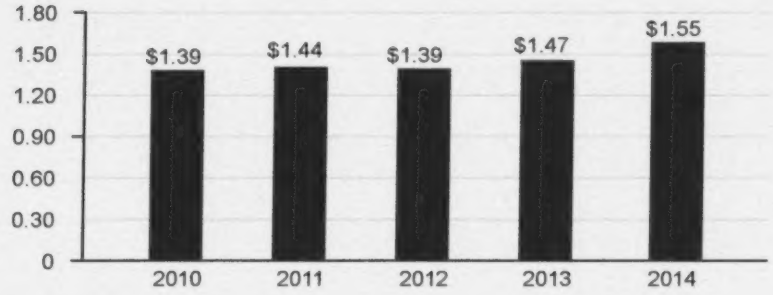
Analysis
Results are affected by a steady and high demand for facilitation services and training workshops that help community organizations and government address issues and develop organizational and board capacity. The ministry's focus on customizing these services and workshops to meet the needs of the client is the driving factor behind the high results.

This client focus is further demonstrated through results from all facilitation, public participation and skill development sessions and workshops: 93.9 per cent of clients indicated that their knowledge of the subject matter increased, 94.2 per cent indicated that they gained insight into the subject matter and 92.9 per cent indicated that they were confident in their ability to apply what they had learned about the subject matter. Overall, 98.0 per cent of all clients were satisfied with the services provided by the ministry.

In 2015-16, the ministry provided a broad range of capacity-building facilitation services and workshops to rural and urban non-profit/voluntary sector organizations and government organizations with 898 projects supported. These services and workshops are highly accessible to organizations anywhere in Alberta.

Performance Indicator

4.a Total charitable donations from Albertans ($ billions)



Source: Statistics Canada, Charitable Donations

Note: Performance indicators show progress toward achievement of that the ministry does not have direct influence on. As such, no targets are presented.

Description

This indicator measures total tax-filer donations by Albertans to registered charities.

Results

The 2014 result of $1.55 billion is $0.08 billion or 5.4 per cent higher than the 2013 result. This percentage increase was the largest of the provinces and over double the average increase in Canada. Over the last five years, charitable donations in Alberta have increased from $1.39 billion in 2010 to $1.55 billion in 2014.

Analysis

In terms of the proportion of tax-filers donating in 2014, 22.1 per cent of Albertans claimed a donation, the fifth highest percentage of the provinces, higher than the Canadian average of 21.4 per cent. In Alberta, 3 per cent of those aged 24 years and under donated to a registered charity, while 16 per cent aged 25 to 34 and approximately 20 per cent aged 35 and over donated. While the actual number of tax-filers donating has increased over the last five years by approximately 337,000, the population has increased at a higher rate meaning the percentage of tax-filers donating has decreased, a trend observed in all provinces.

In terms of median donations, Alberta ranked first among the provinces donating $440; meaning half of total donations from individuals in 2014 were above $440, and half below. The median donation in Canada in 2014 was $280. By region, the highest percentage of donors in Alberta were from the Lacombe area (26.0 per cent), and this area also had the highest median donation, at $790.

Factors influencing the results include provincial and federal charitable tax credits, promotion of the importance of donating and the amount of disposable income Albertans have to give. Major environmental disasters like the June 2013 flooding in Alberta, social issues like the Syrian refugee resettlement and economic issues like unemployment impact results.

Desired Outcome Five

Albertans enjoy improved health and wellness and strong communities through recreation, active living and sport

Overview

Working with other ministries, levels of government, partners and key stakeholders, the ministry contributes to engaging Albertans in active and healthy lifestyles, developing recreational opportunities and assisting athletes to excel in sport in line with the outcomes of a more active Alberta. This work includes leading policy, planning, research, program funding, and consultation processes aimed at ensuring more Albertans are more active more often. Through the Alberta Sport Connection, the ministry provides programs and funding opportunities supporting the overall sport development system, including the hosting of sport events in the province.

Results

5.1 Implement a revised funding model for recreation and physical activity initiatives and organizations and a revised funding model for sport initiatives and organizations.

Providing recreation, active living and sport programs and services to Albertans is a collaborative effort undertaken by the ministry and numerous other organizations.

On September 25, 2015, the ministry hosted a stakeholder forum to outline and detail recreation and physical activity strategies and priorities, and set the table for ongoing stakeholder relationships. Approximately 40 stakeholders attended the forum, which featured seven rotating and interactive presentations focusing on different recreation and physical activity business priorities and programs.

A key discussion at the forum was the ministry's work to develop a process to help inform the design of a new recreation and physical activity funding framework for recreation and physical activity initiatives and organizations. With implementation targeted for the 2017-18 grant application process, this development ensured funding allocation aligns with both the outcomes of a more active Alberta and the goals of the *Framework for Recreation in Canada*. An update on the review status was

DID YOU KNOW?

In 2015-16, the ministry supported a seasonal activity challenge program designed to encourage Albertans of all ages to become more active. Different challenges in the program were delivered in partnership with organizations such as Alberta Blue Cross, the Alberta Motor Association, Safe Healthy Active People Everywhere and the Be Fit for Life Network.The three activity challenges supported in 2015-16 were: Wheel Week, June 1-5, 2015, with approximately 19,000 registered participants; International Walk to School Week, October 5-9, 2015, with 17,000 registered participants; and Winter Walk Day, February 4, 2016, with over 120,000 registered participants. The ministry is using the registration and participation data from activity challenges to review programs and encourage growth of events.

communicated to stakeholders and an engagement strategy will be undertaken prior to implementation.

The ministry, through the Alberta Sport Connection, engaged stakeholders online and through in-person sessions in 2015-16, gathering input and analysis on the existing Association Development Program. A task force committee composed of Alberta Sport Connection board members and ministry staff worked with an external consultant to complete a review of existing funding approaches and develop criteria to reallocate current funding levels. New assessment criteria are being prepared to help support provincial sport organizations to ensure they are aligned with the outcomes of the *Canadian Sport* policy. This will help the government meet the goals and objectives for sport in Alberta and the related action and activities. The new funding framework is targeted to be released in 2016-17.

5.2 Develop an implementation plan for aligning the efforts and activities of sport stakeholders and government partners.

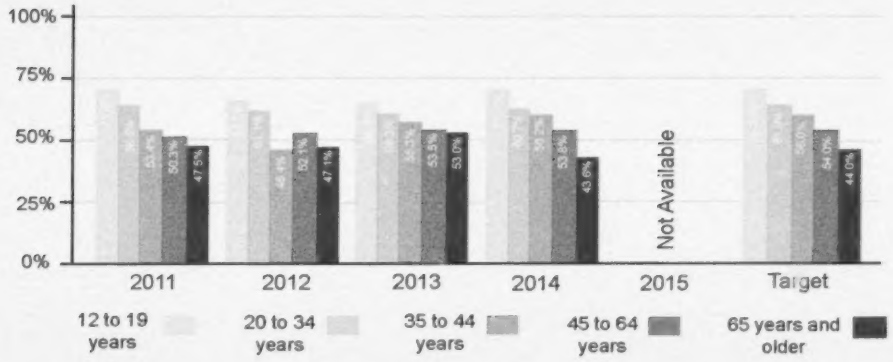
DID YOU KNOW?

Approximately 1,200 Albertans took part in the 2015 Alberta 55 Plus Summer Games in Strathmore, July 16-19, 2015, and approximately 2,500 participants were involved in the zone playoffs for the right to qualify and compete. The games encourage Albertans aged 55 and older to pursue athletic and physical activities in an atmosphere of friendly competition and participation. The games are held every two years and are coordinated by the Alberta Sport Connection with support from the Alberta 55 Plus Association. Competition events include athletics, cycling, golf, slo-pitch, swimming and others.

In 2014, the new Alberta Sport Plan, *Going the Distance,* was approved by government. It recognizes that sport has the power to build character, community and health across the province. The plan establishes the framework and direction for sport development and delivery over the next 10 years. The Alberta Sport Action Plan projects specific outcomes, objectives and actions to position Alberta's sport system to achieve the *Going the Distance* vision: that Alberta is the national leader in sport with a coordinated and adaptive system that promotes excellence and fosters opportunities for lifelong participation for all Albertans. The Alberta Sport Connection is finalizing the action plan, which will be brought forward to government for consideration in 2016-17.

Performance Measure

5.a Percentage of Albertans who are active or moderately active in their leisure time



Source: Statistics Canada, Canadian Community Health Survey

Description

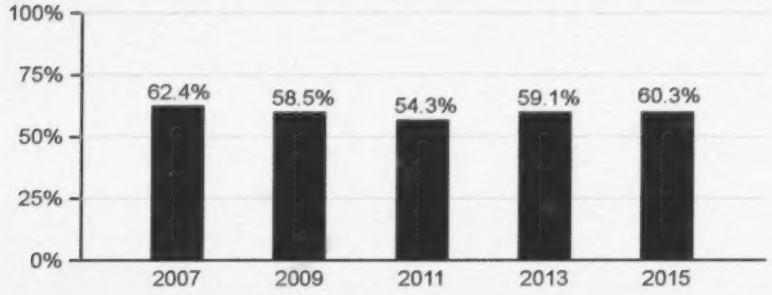
This measure indicates the percentage of Albertans who are active or moderately active in their leisure time. Albertans were asked if they had participated in a recreational activity such as walking or riding a bike. The result is based on a combination of questions related to the type, frequency and duration of each of the identified activities.

Results

The 2015 result from Statistics Canada is not available prior to going to print. An online update of this measure will be posted when the information is available.

Performance Indicator

5.a Percentage of adult Albertans who are physically active enough to experience health benefits



Source: Alberta Survey on Physical Activity

Note: Performance indicators show progress toward achievement of outcomes that the ministry does not have direct influence on. As such, no target is presented.

Description

This indicator measures the percentage of adult Albertans physically active enough to experience health benefits. Albertans were asked how many times per week, on average, they do strenuous activity (e. g., running, hockey, soccer, aerobics), moderate activity (e. g., fast walking, easy bicycling, dancing) and mild activity (e. g., yoga, easy walking) for more than 15 minutes. Frequencies were multiplied by the energy cost of the activity and a total weekly leisure activity score was generated.

Results

The 2015 result of 60.3 per cent is 1.2 per cent higher than the 2013 result of 59.1 per cent. Over the last 10 years, results have fluctuated between a high of 62.4 per cent in 2007 and a low of 54.3 per cent in 2011.

Analysis

The 2015 survey indicates that 93.0 per cent of Albertans were aware that regular physical activity brought health benefits; however, only 60.3 per cent were physically active enough to experience health benefits. Results showed that physical activity levels decrease as Albertans age and participation in physical activity is related to the ability to be physically active. Albertans with higher confidence in their ability to participate in regular physical activity and the confidence to overcome potential barriers such as bad weather, tiredness or time constraints had significantly higher rates of physical activity than those who did not have confidence in their ability. Activity rates also increased as the perceived health outcomes of physical activity increased, as well as with factors such as access and proximity to recreational facilities.

Research on sedentary behaviour indicates that those who meet physical activity guidelines, yet engage in excessive sedentary behavior, may also face negative health consequences. Albertans spend on average eight hours and 50 minutes per day engaged in sedentary activities. Those aged 18 to 34 years were more likely to spend more than 10 hours a day in sedentary behaviour and those aged 65 years and over more likely to have sedentary behaviour of less than six hours per day. Walking is the most common physical activity among Albertans. In 2015, 57.4 per cent of Albertans did some walking at work, 60.3 per cent did some walking for transportation and 54.8 per cent did some walking for leisure.

Desired Outcome Six

Alberta has a sustainable, vibrant arts sector and cultural industries that inspire *creativity and innovation*

Overview

The ministry works with artists, arts organizations and cultural industries in supporting this outcome. This includes preserving, maintaining and displaying Alberta's art collections; providing support to film, television and digital media, sound recordings and book and magazine publishers through the Alberta Media Fund; and distributing grants to artists and arts organizations through the Alberta Foundation for the Arts. At the Jubilee Auditoria, Albertans have access to a wide variety of cultural and community events including international touring theatre companies and musicians. Other ministry activities include classifying all films prior to public exhibition, licensing and regulating film distributors and communicating classifications to movie theatres and media outlets.

Results

6.1 Develop a plan to guide the strategic direction of cultural industries (screen-based production, publishing and sound recording) in Alberta.

In order to assess the current state of Alberta's cultural industries, the ministry undertook economic impact studies and jurisdictional comparisons for the book, magazine, music, film, television, and digital media industries.

The ministry consulted with more than 70 stakeholders on the strategic direction of cultural industries, gathering information on trends and challenges, competitiveness against other jurisdictions, recent innovations, best practices, financing and other business and regulatory issues. The results of the consultations were shared with participants for further feedback and more than 200 stakeholders contributed to sector-specific surveys validating information from the initial consultations. Additional input was also gathered from national and international stakeholders to better appreciate a wider, more global perspective. This information was then used to define focus areas, outcomes and actions that will assist in the further growth and development of Alberta's cultural industries. These include identifying opportunities for further collaboration between sectors in the cultural industries and other industries.

DID YOU KNOW?

According to the ministry's 2015-16 Survey of Albertans on Culture, 80.7 per cent of Albertans felt it was important government continues to support the film industry, and 78.9 per cent felt it was important that government continues to support Alberta's book, magazine and sound recording industries. Approximately nine of ten Albertans thought the following benefits of the industries are important: the spending generated in Alberta, increasing Alberta's image on the world stage, telling Alberta stories and adding to the culture and quality of life of Albertans.

DID YOU KNOW?

The Alberta Production Grant stream, through the Alberta Media Fund, supports screen-based programs to develop local production expertise and talent, sustain industry development and continue investment in Alberta-based production. Over the last five years, $148.3 million has been provided to support productions in the province, resulting in $510.4 million in direct production expenditures in Alberta. A recent notable production supported by the fund was *The Revenant*, which took home three Oscars at the 88th annual Academy Awards. More than 700 Albertans worked as cast or crew, including makeup artists from Canmore, actors from Siksika Nation and production crew members from Calgary. The awards are a testament to the talented cast and crews in Alberta and highlight why Alberta continues to be a sought after location for film and television production.

To help prioritize the areas of focus of the Cultural Industries Action Plan, a vision for Alberta's cultural industries is under development. Different cultural industries require different supports to foster growth in job creation and economic diversification, and there are many opportunities to better collaborate and share best practices. Feedback from stakeholder conversations is being assessed to guide and prioritize government support for the sector. This includes funding for creation and production; training and professional development opportunities; industry promotion; funding for participation at industry events and trade shows; and funding for export marketing, market development and distribution. Other potential roles for government emerging from this review include facilitating networks with other government agencies as well as within the cultural industries and private sector, building business capacities, providing support for business management development and providing industry research and online resources. Further supports were also identified in areas such as financing, marketing and human resources.

The Cultural Industries Action Plan will align government resources to maximize support available to the cultural industries. As existing programs are revised and new funding programs are established, detailed guidelines and processes will increase transparency and accountability. A communications and change-management plan will be developed concurrently with the implementation plan to enable further dialogue with stakeholders. External factors, such as the low dollar and low oil prices, may positively or negatively impact production in the cultural industries. Regular situational analysis will further refine supports provided to the cultural industries. This includes ensuring access to funding for all stakeholders and targeted programs that meet specific sector needs as well as broader programs that can provide support across all cultural industries.

6.2 Develop a plan to allocate increased funding to the Alberta Foundation for the Arts.

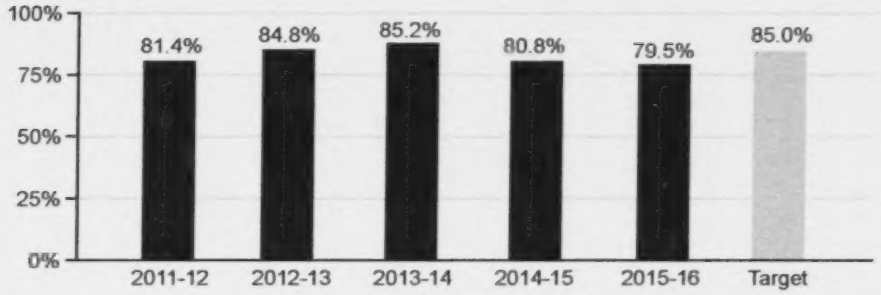
DID YOU KNOW?

Ministry staff conducted a half-day governance workshop for the Alberta Foundation for the Arts Board on how to best function at that strategic level within the operating landscape. The board also held its first Adaptive Change workshop sessions to further adapt to complex challenges brought on by demographic, generational, technological and financial changes to the arts sector.

To enhance transparency and communication with Alberta Foundation for the Arts stakeholders, the ministry developed a strategic approach to funding using an outcome-based framework that was shared through the foundation's website. The framework describes how the increased funding can be used to achieve greater access, excellence and sustainability for arts organizations and artists in Alberta's communities, supporting the outcomes of the Alberta Foundation for the Arts strategic plan.

Performance Measures

6.a Percentage of adult Albertans who attended arts activities or events



Source: Survey of Albertans on Culture

Description

This measure indicates adult Albertans' attendance at arts activities or events. Examples include activities such as attending a festival or live performance such as music, theatre or dance, taking an arts course or visiting an arts exhibition or gallery.

Results

The result of 79.5 per cent was 5.5 per cent lower than the target and 1.3 per cent lower than the 2014-15 result. The result continues the trend of approximately eight out of every ten Albertans attending arts activities or events.

Analysis

Over the last decade, attendance at arts activities has remained relatively stable. This year's results are 3.8 per cent below the ten year average (83.3 per cent) and may be a reflection of the economic downturn. However, results also demonstrate that in tough economic times many Albertans still support the arts.

Analysis of specific arts activities shows a decrease in participation in community arts programs by 7.2 per cent, in festival attendance by 6.2 per cent, visits to galleries by 5.0 per cent and in purchasing an art product by 2.8 per cent. Attendance at live performances such as music, theatre or dance increased slightly, by 1.0 per cent. It is possible further decreases may be observed as the full impact of the economic downturn is felt.

Despite observed decreases in attendance, the results remain high and may be attributed in part to the support provided to arts and arts organizations' efforts to promote arts events. For example in 2015-16, the ministry funded arts activities with approximately $22.8 million in grants. In 2015-16, 88.4 per cent of this funding was provided through more than 700 organization grants for operational and project funding, and 11.6 per cent through 270 individual grants to support their activities. These organizations and artists provide arts events and programming throughout the province.

Performance Measures Methodology

Survey of Albertans
(Measures: 1.a, 1.b, 2.a, 4.a, 6.a. Indicator: 2.a)

The Survey of Albertans is a provincewide telephone survey of adult Albertans conducted by the ministry. The survey was undertaken by an independent research firm that conducted and collected 1,000 responses using a random sample stratified by age group, gender and geographic location to be representative of Alberta's population. Albertans were asked questions on topics such as the arts, volunteerism, heritage, recreation and participation in organized sport in the past year. Interviews were conducted from January 25 to February 29, 2016, by trained and experienced interviewers. At least 10.0 per cent of all coding was independently reviewed for quality assurance. The response rate for the survey was 28.4 per cent and the margin of error at +/- 3.1 per cent, 19 times out of 20. The final survey presentation report can be accessed from the ministry website (www.culture.alberta.ca).

Travel Survey of Residents of Canada and the International Travel Survey, and Culture and Tourism
(Measure: 3.a. Indicator: 3.a)

The total value of tourism expenditures and tourism visitation in Alberta is derived by Culture and Tourism from data released by Statistics Canada in the Travel Survey of Residents of Canada and the International Travel Survey. Both surveys are undertaken by Statistics Canada and sponsored by the Canadian Tourism Commission, Statistics Canada, provincial/territorial tourism agencies and other federal government departments.

The Travel Survey of Residents of Canada measures the size of domestic travel in Canada and provides information about the volume of trips and expenditures for Canadian residents. It is a sample survey run as a voluntary supplement to the Labour Force Survey. Respondents selected for this survey are then randomly selected and asked to respond to the travel survey questionnaire. The International Travel Survey provides statistics on travellers to and from Canada using mail-back questionnaires, e-questionnaires, the Air Exit Survey as well as Frontier Counts.

In 2011, Statistics Canada revised the methodology for the Travel Survey of Residents of Canada which resulted in increased estimates of visits and expenditures, creating a break in the series. Results from 2011 are not comparable with previous results. The 2013 results were revised based on final data from Statistics Canada for the International Travel Survey released in February 2016.

Tourism Division Client Satisfaction Survey
(Measure: 3.b)

The Client Satisfaction Survey is conducted with public and private sector representatives who had received tourism development information, advice and assistance from the Tourism Division. Due to the timing of the survey, the 2015-16 result was not available prior to going to print. An online update for this measure will be posted when the results are available.

Alberta's Tourism Levy
(Indicator: 3.b)

The tourism levy provides information on the activity levels of Albertans, other visitors travelling and business travellers using accommodations like hotels, motels, bed and breakfasts or similar establishments. A 4.0 per cent charge based on the purchase price for accommodation (excluding cost

of meals and other services). The levy is collected on accommodations like a hotel, motel, apartment building, hostel, lodging house, boarding house, bed and breakfast, club or similar establishment in Alberta. The tourism levy does not include lodgings that are occupied by the same individual continuously for a period of 28 days or more, or for establishments in which there are fewer than four bedrooms available for rent separately.

Percentage of facilitation participants who are able to apply/use the results from the services

(Measure: 4.b)

The Client Satisfaction Survey was conducted from April 1, 2015 to March 31, 2016 by the Community Engagement Branch. Survey respondents are clients who receive customized facilitation services. Clients are community leaders, members of organizations or representatives of government set in the context of group participation. Only projects completed during the fiscal year are counted in the survey, even if the project was started in a prior year. There were 3,994 surveys distributed and 3,504 surveys were returned resulting in a response rate of 87.7 per cent. The facilitation participants who are able to apply/use the results from the services are based on the top two response categories of a five point scale (i.e., strongly agree, somewhat agree, neutral, somewhat disagree, strongly disagree). The margin of error is +/- 0.6 per cent, 19 times out of 20.

Charitable donations

(Indicator: 4.a)

The Statistics Canada charitable donations data is collected from income tax returns of Albertans submitted to the Canada Revenue Agency. A charitable donor is defined as a tax-filer reporting a donation to a registered charitable organization on line 340 of their personal income tax form. The data excludes late tax-filers and Albertans that do not claim donations on their tax returns. The data also excludes time and in-kind donations, as well as donations to nonprofit organizations that are not registered as a charity.

Canadian Community Health Survey

(Measure: 5.a)

The Statistics Canada Canadian Community Health Survey is used for monitoring the physical activity levels of Albertans aged 12 and over. It is released in the summer of 2016. An online update of this measure will be posted when the information is available.

Alberta Survey on Physical Activity

(Indicator: 5.a)

The Alberta Survey on Physical Activity was conducted for the Alberta Centre for Active Living by the Population Research Laboratory. Questions were asked about leisure-time physical activity, physical activity at work, walking, beliefs and attitudes about physical activity and access to physical activity. Respondents participated in telephone interviews between July 23 and September 5, 2014. The random sample included 1,204 adults living in Alberta. The survey margin of error was +/- 2.8 per cent, 19 times out of 20.

Results of Operations (millions of dollars)

	2015-16 Budget	2015-16 Actual	Variance under/ (over)
Total Revenue	$28.3	$25.2	$3.1
Expenses Operating	$345.3	$337.3	$8.0
Net Operating Results	$(317.0)	$(312.1)	$4.9
Capital Investment	$3.0	$3.2	$(0.2)

Overall results for 2015-16 show actuals to be $4.9 million lower than budget; both revenues and expenses were lower than budget.

Revenues were $3.1 million lower than budget. The largest variance was in the Other Revenue category, which was $4.4 million under budget due to lower than anticipated amounts from cost recovery programs at museums and historic sites and lower than budgeted donations overall in the ministry. This lower revenue was partially offset by higher than budgeted Premiums, Fees and Licenses—$1.0 million higher than budget.

Expenses were $8.0 million lower than budgeted due to items such as:

- Cost containment measures within the ministry;
- 2013 Alberta flood expenses, planning on one project took longer than anticipated and expenses are now budgeted for 2016-17; and
- Donations to various branches of the ministry were lower than budgeted due to difficulty in predicting levels of donations.

Capital Investment was higher than budgeted due in part to purchases made for the Jubilee Auditoria in Edmonton and Calgary to replace outdated equipment and purchase upgraded electronic equipment/ software.

Revenue Highlights (millions of dollars)

	2015-16 Budget	2015-16 Actual	2014-15 Actual (restated)
Internal Government Transfers	$0.1	$0.1	$0.1
Transfers from the Government of Canada	$1.1	$1.3	$1.1
Investment Income	$0.7	$0.8	$1.1
Premiums, Fees and Licences	$6.2	$7.2	$5.6
Other Revenue	$20.2	$15.8	$14.9
Total Revenue	**$28.3**	**$25.2**	**$22.8**

Revenues totalled $25.2 million in 2015-16, an increase of $2.4 million from 2014-15.

Internal Government Transfers from the Alberta Heritage Scholarship Fund in the amount of $0.1 million funded the Queen's Golden Jubilee Programs.

Transfers from the Government of Canada included:

- $0.7 million for Francophone Secretariat to support French language projects across the province;
- $0.4 million to the Alberta Sport Connection to encourage youth and under-represented populations to actively participate in sport, and to encourage physical literacy; and
- $0.2 million to the Heritage Resources Fund for museum collections.

Investment income in the ministry's funds and agencies amounted to $0.8 million.

Premiums, Fees and Licences are primarily fees for film classification and admission to museums and heritage sites, with smaller amounts coming from charges for conferences and events. The Royal Tyrrell Museum of Palaeontology in Drumheller saw increased admission fee revenue due to a record number of visitors. Overall, Premiums, Fees and Licences totaled $7.2 million in 2015-16, up $1.6 million from the prior year and $1.0 million over budget.

Other Revenue totalled $15.8 million. This amount represents an increase of $0.9 million from 2014-15. Other Revenue actuals are down $4.4 million compared to budget, due primarily to lower than expected donations and lower than budgeted amounts from cost recovery programs at museums and historic sites. The Other Revenue category includes donations, sales, rental revenues from the Northern and Southern Jubilee Auditoria, refunds of expenses, contributions in-kind and other miscellaneous revenues.

Expense Highlights (millions of dollars)

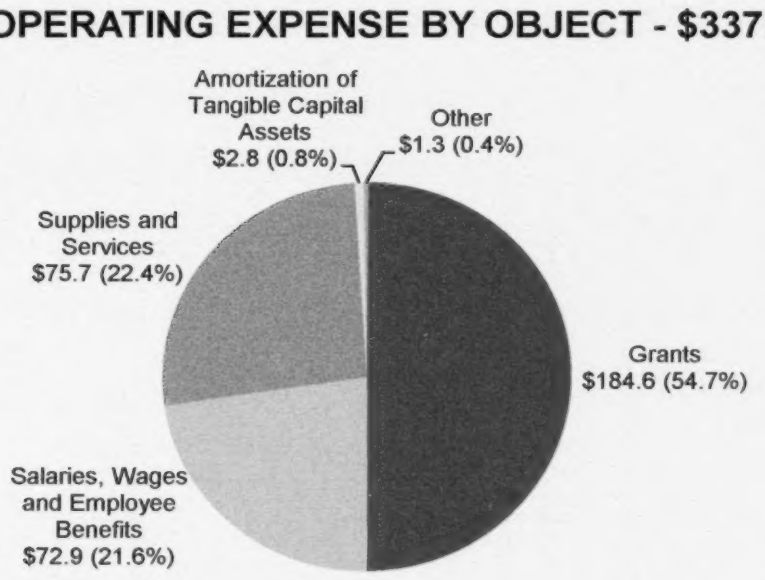
	2015-16 Budget	2015-16 Actual	2014-15 Actual (restated)
Creative Industries	$75.6	$81.9	$66.3
Community and Voluntary Support Services	$92.1	$86.2	$102.3
Francophone Secretariat	$1.3	$1.3	$1.2
Heritage	$55.1	$53.3	$53.3
Recreation and Physical Activity	$30.3	$29.4	$34.6
Tourism	$69.3	$67.7	$70.2
2013 Alberta Flooding	$5.7	$1.9	$5.8
Ministry Support Services	$15.9	$15.6	$15.0
Total Expenses	**$345.3**	**$337.3**	**$348.7**

Expenses totalled $337.3 million, reflecting decreases of $11.4 million from 2014-15 and $8.0 million from budget 2015-16.

Some grants paid in 2014-15 were not repeated in the current year, such as support to the 2019 Canada Winter Games in Red Deer ($3.1 million lower). Expenses related to the 2013 Alberta floods also decreased as some projects were completed in 2014-15.

Compared with Budget 2015-16, expenses were $8.0 million less than budgeted. This was due in large part to 2013 Alberta flood expenses being lower than expected – one project involves considerable planning and costs are now expected to be charged in the 2016-17 year. Cost containment measures were taken during the 2015-16 year, which lowered actual expenses throughout the ministry.

Ministry Operating Expense by Object (millions of dollars)


OPERATING EXPENSE BY OBJECT - $337.3
Amortization of Tangible Capital Assets $2.8 (0.8%)
Other $1.3 (0.4%)
Supplies and Services $75.7 (22.4%)
Grants $184.6 (54.7%)
Salaries, Wages and Employee Benefits $72.9 (21.6%)

The Ministry's largest operating expense was grants, which made up 54.7 per cent of total operating expense. In 2015-16, $184.6 million was provided to support individuals, organizations and communities through grant programs. Expenditures for salaries, wages and employee benefits totalled $72.9 million (21.6 per cent) and were primarily to manage heritage facilities, support community groups and administer grant programs. Supplies and services of $75.7 million (22.4 per cent) included contracts for the development of Alberta as a tourism destination and related tourism products and marketing, in addition to ongoing supply requirements. The remainder of ministry expenses were amortization of capital assets ($2.8 million) and other expenses ($1.3 million).

Financial Information

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Ministry of Culture and Tourism

Consolidated Financial Statements

March 31, 2016

Ministry of Culture and Tourism
Consolidated Financial Statements
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AUDITOR GENERAL
Alberta

Independent Auditor's Report

To the Members of the Legislative Assembly

Report on the Consolidated Financial Statements

I have audited the accompanying consolidated financial statements of the Ministry of Culture and Tourism, which comprise the consolidated statement of financial position as at March 31, 2016, and the consolidated statements of operations, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Ministry of Culture and Tourism as at March 31, 2016, and the results of its operations, its changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

June 6, 2016

Edmonton, Alberta

Ministry of Culture and Tourism
Consolidated Statement of Operations
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual Restated (Note 3)
Revenues (Schedule 1)			
Government Transfers			
Government of Alberta Grants	$ 80	$ 52	$ 60
Federal Government Grants	1,088	1,288	1,088
Premiums, Fees and Licences	6,245	7,222	5,585
Investment Income	699	751	1,114
Other	20,165	15,849	14,921
	28,277	25,162	22,768
Expenses – Directly Incurred (Note 2(c) and Schedules 3 and 5)			
Ministry Support Services	15,867	15,599	14,938
Creative Industries	75,630	81,863	66,259
Community and Voluntary Support Services	92,099	86,204	102,290
Francophone Secretariat	1,310	1,279	1,236
Heritage	55,075	53,381	53,310
Recreation and Physical Activity	30,333	29,386	34,566
Tourism	69,284	67,704	70,272
2013 Alberta Flooding	5,710	1,932	5,818
	345,308	337,348	348,689
Annual Operating Deficit	$ (317,031)	$ (312,186)	$ (325,921)

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Culture and Tourism
Consolidated Statement of Financial Position
As at March 31, 2016
(in thousands)

	2016	2015 Restated (Note 3)
Financial Assets		
Cash and Cash Equivalents (Note 5)	$ 43,070	$ 46,296
Accounts Receivable (Note 6)	1,829	2,091
Inventories for Resale	508	754
	45,407	49,141
Liabilities		
Accounts Payable and Accrued Liabilities	35,903	54,617
Deferred Revenue (Note 9)	2,421	2,587
Liabilities for Contaminated Sites (Note 8)	7,206	7,617
	45,530	64,821
Net Debt	(123)	(15,680)
Non-Financial Assets		
Tangible Capital Assets (Schedule 6)	22,154	24,043
Prepaid Expenses	41	155
	22,195	24,198
Net Assets	$ 22,072	$ 8,518
Net Assets at Beginning of Year	$ 8,518	$ 12,044
Annual Operating Deficit	(312,186)	(325,921)
Net Financing Provided from General Revenues	325,869	322,395
Non-Grant Transfers of Tangible Capital Assets to other Government Entities	(129)	-
Net Assets at End of Year	$ 22,072	$ 8,518

Contingent Liabilities and Contractual Obligations (Notes 10 and 11)

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Culture and Tourism
Consolidated Statement of Change in Net Debt
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual Restated (Note 3)
Annual Operating Deficit	$ (317,031)	$ (312,186)	$ (325,921)
Acquisition of Tangible Capital Assets (Schedule 6)	(3,007)	(3,242)	(3,454)
Amortization of Tangible Capital Assets (Schedule 6)	3,346	2,762	2,536
Loss on Sale of Tangible Capital Assets		493	223
Transfer of Tangible Capital Assets		1,315	-
Proceeds on Sale of Tangible Capital Assets		-	8
Grants in Kind for Tangible Capital Assets		432	258
Change in Prepaid Expenses		114	99
Net Financing Provided from General Revenue		325,869	322,395
Decrease (Increase) in Net Debt		$ 15,557	$ (3,856)
Net Debt at Beginning of Year		(15,680)	(11,824)
Net Debt at End of Year		$ (123)	$ (15,680)

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Culture and Tourism
Consolidated Statement of Cash Flows
Year Ended March 31, 2016
(in thousands)

	2016	2015 Restated (Note 3)
Operating Transactions		
Annual Operating Deficit	$ (312,186)	$ (325,921)
Non-cash Items Included in Annual Operating Deficit		
Write-down of Inventory	13	-
Grants in Kind	432	258
Amortization of Tangible Capital Assets (Schedule 6)	2,762	2,536
Loss on Disposal of Tangible Capital Assets	493	223
Deferred Revenue Recognized as Revenue (Note 9)	(777)	(1,019)
	(309,263)	(323,923)
Decrease (Increase) in Accounts Receivable	262	(27)
Decrease (Increase) in Inventories for Resale	233	(8)
Decrease in Prepaid Expenses	114	99
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(18,714)	14,134
(Decrease) in Liabilities for Contaminated Sites	(411)	(130)
Deferred Revenue Received (Note 9)	611	1,026
Cash (Applied to) Operating Transactions	(327,168)	(308,829)
Capital Transactions		
Acquisition of Tangible Capital Assets (Schedule 6)	(3,242)	(3,454)
Transfers of Tangible Capital Assets	1,315	-
Proceeds on Sale of Tangible Capital Assets	-	8
Cash (Applied to) Capital Transactions	(1,927)	(3,446)
Financing Transactions		
Net Financing Provided from General Revenues	325,869	322,395
Cash Provided from Financing Transaction	325,869	322,395
(Decrease) Increase in Cash and Cash Equivalents	(3,226)	10,120
Cash and Cash Equivalents at Beginning of Year	46,296	36,176
Cash and Cash Equivalents at End of Year	$ 43,070	$ 46,296

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Culture and Tourism
Notes to the Consolidated Financial Statements
March 31, 2016

Note 1 Authority and Purpose

The Minister of Culture and Tourism has, by the *Government Organization Act* and its regulations, been designated responsible for various Acts. To fulfill these responsibilities, the Minister is responsible for the organizations listed in Note 2(a). The authority under which each organization operates is also listed in Note 2(a). Together these organizations form the Ministry of Culture and Tourism (the Ministry).

The purpose of the Ministry is to enhance quality of life and prosperity in Alberta's communities. This is done by working towards the following desired outcomes:

- Alberta has a thriving culture that is valued by Albertans;
- Alberta's rich heritage is promoted, and historical resources are preserved and accessible to Albertans, Canadians and international audiences;
- Tourism provides sustainable economic growth to all regions of Alberta through targeted marketing and industry development;
- Alberta has resilient and engaged communities supported by a strong nonprofit/voluntary sector;
- Albertans enjoy improved health and wellness and strong communities through recreation, active living and sport; and
- Alberta has a sustainable, vibrant arts sector and cultural industries that inspire creativity and innovation.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards (PSAS).

(a) Reporting Entity

The reporting entity is the Ministry of Culture and Tourism. The *Fiscal Planning and Transparency Act* defines a Ministry as including the Department and any Provincial agency and Crown-controlled organizations for which the Minister is responsible.

These consolidated financial statements include the accounts of the following organizations:

Organization	Authority
Alberta Foundation for the Arts	*Alberta Foundation for the Arts Act*
Alberta Sport Connection	*Alberta Sport Connection Act*
Department of Culture and Tourism	*Government Organization Act*
Historic Resources Fund	*Historical Resources Act*
The Alberta Historical Resources Foundation	*Historical Resources Act*
The Government House Foundation	*Government House Act*
The Wild Rose Foundation	*Wild Rose Foundation Act*
Travel Alberta Corporation	*Travel Alberta Corporation Act*

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(a) Reporting Entity (continued)

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the President of Treasury Board and Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net financing provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Consolidation

The accounts of the organizations listed in Note 2(a) above have been consolidated. Revenue and expense transactions, investing, capital and financing transactions, and related asset and liability accounts between the consolidated organizations were eliminated upon consolidation.

(c) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting.

Investment income earned from restricted sources are deferred and recognized when the terms imposed have been met. Gains and losses on investments are not recognized in the Consolidated Statement of Operations until realized.

Government Transfers

Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred revenue if the eligibility criteria of the transfer, or the stipulations together with the Ministry's actions and communications as to the use of transfers create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, the Ministry complies with its communicated uses of these transfers.

All other government transfers, without terms for the use of the transfer, are recorded as revenue when the transfer is authorized and the Ministry meets the eligibility criteria (if any).

Deferred Revenue

Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Revenues (continued)

Credit or Recovery

Credit or recovery initiatives provide a basis for authorizing spending. Credits or recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual credit or recovery amounts exceed budget, the Ministry may, with the approval of the Treasury Board Committee, use the excess to fund additional expenses of the program. Schedule 2 discloses information on the Ministry's credit or recovery initiatives.

Investment Income

Investment income includes interest income earned on the Consolidated Cash Investment Trust Fund of the Province of Alberta accounts.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the government's budget documents.

Grants are recognized as expenses when authorized, eligibility criteria are met and a reasonable estimate of the amounts can be made.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets;
- pension costs, which are the cost of employer contributions for current service of employees during the year; and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime and contaminated sites.

Incurred by Others

Services contributed by other entities in support of the Ministry's operations are not recognized and are disclosed in Schedule 4 and allocated to programs in Schedule 5.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals, as well as inventories held for resale.

Accounts Receivable

Accounts receivable are recorded at the lower of cost or net recoverable value. A valuation allowance is recorded when recovery is uncertain.

Inventories for Resale

Inventories for resale are valued at the lower of cost and net realizable value. Cost is determined on first-in, first-out basis.

Liabilities

Liabilities are present obligations of a government to others arising from past transactions or events, the settlement of which is expected to result in the future sacrifice of economic benefits.

Liabilities for Contaminated Sites

Contaminated sites are a result of contamination of a chemical, organic or radioactive material or live organism that exceeds an environmental standard, being introduced into soil, water or sediment. The liabilities are recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

i. an environmental standard exists;
ii. contamination exceeds the environmental standard;
iii. the Ministry is directly responsible or accepts responsibility;
iv. it is expected that future economic benefits will be given up; and
v. a reasonable estimate of the amount can be made.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Non-Financial Assets

Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

i. are normally employed to deliver government services;
ii. may be consumed in the normal course of operations; and
iii. are not for sale in the normal course of operations.

Non-financial assets of the Ministry are limited to tangible capital assets and prepaid expenses.

Tangible Capital Assets

Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized.

Contributed tangible capital assets are recorded at their fair value at the time of contribution.

Amortization is only charged if the tangible capital asset is put into service.

When physical assets (tangible capital assets and inventories) are gifted or sold for a nominal sum, the net book value of these physical assets less any nominal proceeds are recorded as grants in kind.

Assets acquired by right are not included.

Prepaid Expenses

Prepaid expenses are recorded at cost and amortized based on the terms of the agreement.

Artworks and Collections

Works of art, historical treasures and collections are not recognized in these financial statements. Purchases of collection items are expensed in the period in which the items are acquired. Donations of collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Net Assets/ Net Debt

Endowments

Donations, government transfers, and non-government contributions that must be maintained in perpetuity are included in Financial Assets and Net Assets in the Consolidated Statement of Financial Position. Realized gains and losses attributable to portfolio investments that also must be maintained in perpetuity are also recognized as a direct increase and decrease respectively in endowment net assets when received or receivable.

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Liabilities for contaminated sites are recorded in the amount of $7,206 (2015 – $7,617) for Heritage, based on management's best estimates that reflect the environmental information known at the time. Further environmental assessments, changes in environmental legislation or other unanticipated changes may affect these estimates.

(d) 2013 Alberta Flooding

The full recovery from the June 2013 flood in southern Alberta will take a number of years. The Province's flood recovery initiatives, through its Disaster Recovery Program (DRP), provides financial assistance to impacted individuals, small businesses, municipalities, and government departments for uninsurable loss and damage. The DRP is administered and funded by the Alberta Emergency Management Agency of the Department of Municipal Affairs through the authority of the *Disaster Recovery Regulation.*

The Province's flood recovery initiatives include non-disaster recovery programs (non-DRP). Costs associated with non-disaster recovery programs are recognized as they are incurred. These costs are net of recoveries from insurance and other third parties.

(e) Change in Accounting Policy

Adoption of the Net Debt Presentation

A net debt presentation (with reclassification of comparatives) has been adopted for the presentation of consolidated financial statements. Net debt or net financial assets is measured as the difference between the Ministry's financial assets and liabilities.

The effect of this change results in changing the presentation of the Consolidated Statement of Financial Position and adding an additional Statement of Changes in Net Debt/ Net Financial Assets.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(e) Change in Accounting Policy (continued)

Endowment Contributions

Effective April 1, 2015, endowment contributions are recognized in the Statement of Operations in the period in which they are received. In prior years, such transactions were recognized as direct increases to endowments, not through the Statement of Operations, in the period they were received. This change in accounting policy is applied retroactively with restatement of the comparatives.

(f) Future Accounting Changes

In June 2015 the Public Sector Accounting Board issued these following accounting standards:

- **PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions (effective April 1, 2017)**
  PS 2200 defines a related party and establishes disclosures required for related party transactions; PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)**
  PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; PS 3380 defines and establishes disclosure standards on contractual rights. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**
  This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities. Management is currently assessing the impact of this standard on the financial statements.

PS 3450 Financial Instruments
In June 2011 the Public Sector Accounting Board issued this accounting standard effective April 1, 2019. The Ministry has not yet adopted this standard and has the option of adopting it in fiscal year 2019-20 or earlier. Adoption of this standard requires corresponding adoption of: PS 2601 Foreign Currency Translation; PS 1201 Financial Statement Presentation; and PS 3041 Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments. Management is currently assessing the impact of these standards on the financial statements.

Note 3 Program Transfer

(in thousands)

Programs were transferred from the Ministry of Culture and Tourism to the Ministry of Environment and Parks ($9,164).

The following items were transferred to the Ministry of Culture and Tourism:

- the responsibility for funding the communications director and assistant communications director positions were transferred from the Ministry of Executive Council ($286);
- the Major Fairs program was transferred from the Ministry of Agriculture and Forestry ($19,348).

Comparatives for 2015 have been restated as if the department had always been assigned with its current responsibilities. The effect was an increase in expenses by $10,470 from $320,235 to $330,705. There was no effect on revenue. This change is offset by an increase in the Net Financing Provided from General Revenues of $10,470.

Note 4 Subsequent Events

Dissolution of Agencies

Budget 2016 announced the dissolution of the Wild Rose Foundation and The Government House Foundation and the transfer of all their activities and responsibilities to the Department of Culture and Tourism. The Government House Foundation's assets (except cash), liabilities and obligations and the Wild Rose Foundation's assets, liabilities and obligations will be transferred to the Department of Culture and Tourism.

Fort McMurray Wildfires

In May 2016, wildfires seriously affected Fort McMurray and surrounding communities. The government is in the process of providing financial assistance for uninsurable loss and damage through its Disaster Recovery Programs (DRP). The DRP is administered and funded by Alberta Emergency Management Agency through the authority of the Disaster Recovery Regulation.

The Province, subject to certain criteria, may recover part of the above costs from the federal government through the Disaster Financial Assistance Arrangement, pending approval through its Order in Council.

The financial impact on the government (ministry/department/entity) may be significant but is uncertain at this stage.

Note 5 Cash and Cash Equivalents

(in thousands)

	2016	2015 Restated (Note 3)
Unrestricted Cash	$ 28,720	$ 33,954
Externally Restricted Cash	1,877	1,909
Internally Restricted Cash	12,030	9,990
Total	42,627	45,853
Endowment Funds	443	443
Total	$ 43,070	$ 46,296

Cash and cash equivalents consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital.

The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2016, securities held by CCITF have a time-weighted return of 0.8% (2015 – 1.2%) per annum.

Due to the short-term nature of these amounts, the carrying value approximates fair value.

Note 6 Accounts Receivable

(in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2016			2015
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 1,834	$ (5)	$ 1,829	$ 2,091
	$ 1,834	$ (5)	$ 1,829	$ 2,091

Note 7 Endowments
(in thousands)

The composition of Endowments is as follows:

	2016	2015
Balance, Beginning of Year	$ 443	$ 442
Endowment Contributions	-	1
Balance, End of Year	$ 443	$ 443

The Endowment Fund is made up of contributions by the Ministry $205 (2015 - $205) and Third Party $238 (2015 - $238). These funds are held until perpetuity and earn interest based on the CCITF time-weighted return of 0.8% per annum (2015 - 1.2% per annum).

The accumulated interest on the principal amount is available for distribution upon request by various sport organizations and individuals associated with the funds.

The Endowments were designed to help sport development in Alberta.

Note 8 Liabilities for Contaminated Sites
(in thousands)

The composition of liabilities is as follows:

	2016	2015
Liabilities at Beginning of Year	$ 7,617	$ 7,747
Additions to Liabilities During the Year	-	-
Change in Estimate Related to Existing Sites	-	582
Remediation Work Performed	(411)	(712)
Liabilities at End of Year	$ 7,206	$ 7,617

The Ministry has accepted responsibility and is performing remediation work at three provincial historic sites (Turner Valley Gas Plant, Greenhill Mine and Bitumount) which have remnants of industrial activity that occurred prior to present day reclamation standards and guidelines. The current remediation plan covers activities for the next few years to ensure that the sites meet current regulatory standards for the environment and public health. The liability estimates are based on costs incurred in previous years, on consultants' reports and preliminary cost estimates, and on forecasting anticipated project costs in years to come. The anticipated timing of future expenditures is $852 in 2016-17; $1,667 in 2017-18 and $4,501 in 2018-19 and $186 in 2019 and onwards.

Note 9 Deferred Revenue

(in thousands)

	2016	2015
Unearned Revenue (a)	$ 343	$ 464
Deferred Contributions (b)	2,078	2,123
	$ 2,421	$ 2,587

(a) Unearned Revenue

Represents amounts received in advance of providing goods or services.

	2016	2015
Balance, Beginning of Year	$ 464	$ 367
Received/Receivable During Year	497	866
Less Amounts Recognized as Revenue	(618)	(769)
Balance, End of Year	$ 343	$ 464

(b) Deferred Contributions

Represent externally restricted contributions received relating to expenses of future years.

	2016	2015
Balance, Beginning of Year	$ 2,123	$ 2,213
Received/Receivable During Year	114	160
Less Amounts Recognized as Revenue	(159)	(250)
Balance, End of Year	$ 2,078	$ 2,123

Note 10 Contingent Liabilities
(in thousands)

The Ministry is involved in legal matters where damages are being sought. These matters may give rise to contingent liabilities.

The Ministry has been named in two (2015 – five) claims of which outcome is not determinable. Both claims (2015 – five) have no amount specified. The two claims are not covered in whole or in part by the Alberta Risk Management Fund (2015 – included in the total claims, two claims are covered in whole or in part by the Alberta Risk Management Fund). The resolution of indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

Note 11 Contractual Obligations
(in thousands)

Contractual obligations are obligations of the Ministry to others that will become liabilities in the future when the terms of these contracts or agreements are met.

	2016	2015
Grants	$ 85,804	$ 100,453
Service Contracts	55,024	56,496
Operating Leases	4,411	5,682
	$ 145,239	$ 162,631

Estimated payment requirements for each of the next five years and thereafter are as follows:

	Grants	Service Contracts	Operating Leases	Total
2016-17	$ 82,161	$ 41,465	$ 1,144	$ 124,770
2017-18	2,110	11,483	1,167	14,760
2018-19	1,280	2,074	1,184	4,538
2019-20	202	1	916	1,119
2020-21	26	1	-	27
Thereafter	25	-	-	25
	$ 85,804	$ 55,024	$ 4,411	$ 145,239

Note 12 Benefit Plans
(in thousands)

The Ministry participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $8,646 for the year ended March 31, 2016 (2015 – $8,829). Ministries are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2015, the Management Employees Pension Plan reported a surplus of $299,051 (2014 – surplus $75,805), the Public Service Pension Plan reported a deficiency of $133,188 (2014 – deficiency $803,299) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of $16,305 (2014 – deficiency $17,203).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2016, the Bargaining Unit Plan reported an actuarial surplus of $83,006 (2015 – surplus $86,888) and the Management, Opted Out and Excluded Plan reported an actuarial surplus of $29,246 (2015 – surplus $32,343). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 13 Trust Funds
(in thousands)

The Ministry is the beneficiary of a trust fund that is administered by the Royal Trust Corporation of Canada over which the Ministry has no power of administration or appropriation. Because the province has no equity in the fund and is only the beneficiary of the income portion of the fund, it is not included in the Ministry's financial statements.

As at March 31, 2016, the trust fund was as follows:

	2016	2015
Peaceful Valley Trust Fund[a]	$ 2,420	$ 2,500
Peaceful Valley (Income Collect Account)[b]	181	185
	$ 2,601	$ 2,685

(a) A portion of these funds are in US funds and their value has been converted to Canadian Dollars as of the date of the statement. The income generated from the trust funds are recognized at the time of withdrawal. Funds are restricted and are to be used for the maintenance or expansion of Peaceful Valley land.

(b) Income generated from the trust funds are recognized at the time of withdrawal. Funds are restricted and to be used for the maintenance or expansion of Peaceful Valley.

Note 14 Comparative Figures

Certain 2015 figures have been reclassified to conform to the 2016 presentation.

Note 15 Approval of Consolidated Financial Statements

The consolidated financial statements were approved by the senior financial officer and the deputy minister.

Schedule 1

Ministry of Culture and Tourism
Schedule to the Consolidated Financial Statements
Revenues
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual Restated (Note 3)
Government Transfers			
Government of Alberta Grants			
Alberta Heritage Scholarship Fund	$ 80	$ 52	$ 60
Federal Government Grants			
Canada – Alberta Cooperation Agreement on French Language Services	650	650	650
Other	438	638	438
	1,088	1,288	1,088
Premiums, Fees and Licences			
Admission Fees	4,444	5,736	4,866
Film Classification	600	764	609
Lands and Grazing	-	24	24
Other	1,201	698	86
	6,245	7,222	5,585
Investment Income			
Interest	699	751	1,114
Other Revenue			
Sales	4,777	4,988	4,783
Rental Revenue	4,341	4,095	3,860
Recoveries	3,380	1,273	1,253
Donations and Contributions in Kind	4,725	1,018	1,242
Prior Year Refunds of Expenses	598	944	842
Other	2,344	3,531	2,941
	20,165	15,849	14,921
Total Revenues	$ 28,277	$ 25,162	$ 22,768

Ministry of Culture and Tourism
Schedule to the Consolidated Financial Statements
Credit or Recovery
Year Ended March 31, 2016
(in thousands)

	Authorized	Actual Revenue Recognized [1]	(Shortfall) / Excess
Royal Alberta Museum [2]	$ 1,005	$ 959	$ (46)
Francophone Secretariat [3]	650	650	-
	$ 1,655	$ 1,609	$ (46)

(1) Revenues from Credit or Recovery initiatives are included in the Ministry's revenues in the Consolidated Statement of Operations and Schedule 1.

(2) Funding from the Alberta Biodiversity Monitoring Institute for specimen sorting, identification, and storage which assists in assessing the impact of land management practices on biodiversity.

(3) Francophone Secretariat administers the provision of federal government funding to francophone communities to support the planning and delivery of quality French-language services and to support initiatives aimed at contributing to the development of francophone communities.

Ministry of Culture and Tourism
Schedule to the Consolidated Financial Statements
Expenses – Directly Incurred Detailed By Object
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual Restated (Note 3)
Grants	$ 178,462	$ 184,629	$ 194,140
Salaries, Wages and Employee Benefits	78,262	72,865	71,532
Supplies and Services	84,291	75,654	78,515
Amortization of Tangible Capital Assets	3,346	2,762	2,536
Supplies and Services from Support Service Arrangements with Related Parties [1]	232	212	361
Inventory Consumption	650	565	595
Other	65	661	1,010
	$ 345,308	$ 337,348	$ 348,689

[1] The Ministry receives Freedom of Information and Privacy services from the Ministry of Treasury Board and Finance and the Ministry of Service Alberta.

Ministry of Culture and Tourism
Schedule to the Consolidated Financial Statements
Related Party Transactions
Year Ended March 31, 2016
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements. Related parties also include key management personnel in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

Related parties also include:

- Two private companies which have a significant shareholder acting as a director and officer who has served as a Director of Travel Alberta since April 1, 2013. One of the private companies provides printing services to Travel Alberta amounting to $48 in 2016 (2015- $22). At March 31, 2016 the company holds a remaining three year contract with Travel Alberta for a remaining maximum contractual obligation of $42. These services are provided on normal commercial terms which represents fair value.

The other private company holds a long term lease with Travel Alberta for its Calgary office premises. The lease has four remaining years at March 31, 2016 with a remaining contractual obligation of $3,976. Travel Alberta entered into the lease contract in September 2009 and paid $946 in 2016 (2015- $1,018) pursuant to the lease terms. The lease is based on normal commercial terms and the lease terms represented fair value at the inception of the lease.

- A globally integrated enterprise which has one of its Canadian executives serving as a Director of Travel Alberta since April 1, 2013. The enterprise provides IT services to Travel Alberta amounting to $1,015 in 2016 (2015 - $13). At March 31, 2016 the enterprise holds a remaining one year service contract with Travel Alberta for a remaining maximum contractual obligation of $1,003. These services are provided on normal commercial terms which represents fair value.

Ministry of Culture and Tourism
Schedule to the Consolidated Financial Statements
Related Party Transactions
Year Ended March 31, 2016
(in thousands)

The Ministry had the following transactions with related parties recorded on the consolidated Statement of Operations and the consolidated Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	2016	2015
Revenues		
Alberta Heritage Scholarship Fund	$ 52	$ 116
Other Revenue	21	-
	$ 73	$ 116
Expenses – Directly Incurred		
Grants	$ 4,584	$ 5,240
Other Services	4,732	4,297
	$ 9,316	$ 9,537
Tangible Capital Assets Transferred (to) from	$ (1,444)	$ -
Payable to	$ 644	$ 994
Receivable from	$ 19	$ 55
Contractual Obligations	$ 5,316	$ 7,980

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

Ministry of Culture and Tourism
Schedule to the Consolidated Financial Statements
Related Party Transactions
Year Ended March 31, 2016
(in thousands)

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the consolidated financial statements but are disclosed in Schedule 5.

	2016	2015
Expenses – Incurred by Others		
Accommodation	$ 45,655	$ 44,730
Legal Services	242	143
Business Services	2,641	3,322
	$ 48,538	$ 48,195

Schedule 5

Ministry of Culture and Tourism
Schedule to Financial Statements
Allocated Costs
Year Ended March 31, 2016
(in thousands)

	2016					2015
		Expenses – Incurred by Others				Restated (Note 3)
Program	Expenses[1]	Accommodation[2]	Legal Services[3]	Business Services[4]	Total Expenses	Total Expenses
Ministry Support Services	$ 15,599	$ 855	$ 55	$ 399	$ 16,908	$ 16,308
Creative Industries	81,863	10,017	13	234	92,127	76,360
Community and Voluntary Support Services	86,204	888	10	362	87,464	103,706
Francophone Secretariat	1,279	35	-	29	1,343	1,308
Heritage	53,381	32,706	127	1,217	87,431	86,872
Recreation and Physical Activity	29,386	593	26	219	30,224	35,397
Tourism	67,704	561	11	181	68,457	71,115
2013 Alberta Flooding	1,932	-	-	-	1,932	5,818
	$ 337,348	$ 45,655	$ 242	$ 2,641	$ 385,886	$ 396,884

(1) Expenses – Directly Incurred as per Statement of Operations.
(2) The Ministry of Infrastructure provided accommodations. Costs shown for Accommodation on Schedule 4, allocated by square footage.
(3) The Ministry of Justice and Solicitor General provided legal services. Costs for Legal Services on Schedule 4, allocated by estimated costs incurred by each program.
(4) Cost shown for Business Services include charges for IT support, vehicles, air transportation, internal audit services and other service on Schedule 4, allocated by costs in certain programs.

Schedule 6

Ministry of Culture and Tourism
Schedule to the Consolidated Financial Statements
Tangible Capital Assets
Year Ended March 31, 2016
(in thousands)

	2016					2015
	General Capital Assets			Infrastructure Assets		
	Equipment [1]	Computer Hardware and Software	Land	Land Improvements	Total	Total
Estimated Useful Life	3-10 years	5-8 years	Indefinite	40 years		
Historical Cost [2]						
Beginning of Year	$ 26,691	$ 8,937	$ 6,041	$ 4,373	$ 46,042	$ 43,819
Additions	2,761	399	-	82	3,242	3,454
Disposals, Including Write-Downs	(464)	(288)	(432)	(8)	(1,192)	(1,231)
Transfers to Others	-	-	245	(1,689)	(1,444)	-
	$ 28,988	$ 9,048	$ 5,854	$ 2,758	$ 46,648	$ 46,042
Accumulated Amortization						
Beginning of Year	$ 15,919	$ 5,423	$ -	$ 657	$ 21,999	$ 20,205
Amortization Expense	1,957	694	-	111	2,762	2,536
Effect of Disposal	(232)	(35)	-	-	(267)	(742)
Transfers to Others	-	-	-	-	-	-
	$ 17,644	$ 6,082	$ -	$ 768	$ 24,494	$ 21,999
Net Book Value at March 31, 2016	$ 11,344	$ 2,966	$ 5,854	$ 1,990	$ 22,154	
Net Book Value at March 31, 2015	$ 10,773	$ 3,514	$ 6,040	$ 3,716		$ 24,043

(1) Equipment includes heritage markers, network switches and routers, vehicles, office equipment and furniture, and other equipment.

(2) Historical cost includes work-in-progress at March 31, 2016 totalling $2,333 (2015 - $5,239) comprised of: equipment $1,913 (2015 - $1,349); computer hardware and software $399 (2015 - $2,241); and land improvements $21 (2015 - $1,649)

Ministry of Culture and Tourism
Schedule to the Consolidated Financial Statements
Artworks and Collections
Year Ended March 31, 2016
(in thousands)
(Unaudited)

Collections consist of cultural and scientific artifacts, archival holdings and works of art of provincial, national and international significance that are located in government-owned museums, historic sites and the Provincial Archives. The Ministry has not recorded the value of these collections in the financial statements due to the practical difficulties of reflecting them at a meaningful value. Significant artifacts, specimens and records are insured. A description of the collections is as follows:

(a) The collections of the Royal Alberta Museum represent Alberta's highly diverse cultural and natural heritage. They consist of 2,124,000 natural history specimens, 154,500 ethnological and historical artifacts, and millions of archaeological objects spanning 10,000 years of Alberta history. The collections include mammals, birds, fish, insects, plants, minerals, gems, First Nations ethnographical material, military and cultural history artifacts, coins, art, textile collections and archaeological materials recovered in Alberta through Historic Resources Impact Assessments. All collections include associated documentation and, in many cases, images and other media.

(b) The Royal Alberta Museum also is responsible for managing approximately 80,770 artifacts for the Ministry's historic sites. Approximately 8,000 objects are used to furnish the historical buildings at the Ukrainian Cultural Heritage Village, while an additional 5,000 objects are located at smaller sites throughout the province. The remaining artifacts are preserved in storage.

(c) The Royal Tyrrell Museum of Palaeontology collections are among the best in North America. Over 150,000 catalogued specimens document the early history of life on earth. The collections include fossils, geological samples, comparative zoology specimens, and an extensive dinosaur mold and cast collection, as well as palaeontological materials recovered in Alberta through Historic Resource Impact Assessments. The Royal Tyrrell Museum is also responsible for one palaeontological site in southern Alberta.

(d) The Historic Sites and Museums Branch preserves and presents Alberta's history at two museums (Reynolds-Alberta Museum and Remington Carriage Museum), three interpretive centres (Oil Sands Discovery Centre, Head-Smashed-In Buffalo Jump and Frank Slide Interpretive Centre), seven developed historic sites (Leitch Collieries, Stephansson House, Victoria Settlement, Brooks Aqueduct, Father Lacombe Chapel, Fort George and Buckingham House, and Historic Dunvegan), one developed historic site leased to a society (Lougheed House), one developed site leased from the University of Alberta (Rutherford House), and one historic site currently under development (Turner Valley Gas Plant).

Ministry of Culture and Tourism
Schedule to the Consolidated Financial Statements
Artworks and Collections
Year Ended March 31, 2016
(in thousands)
(Unaudited)

(e) The Reynolds-Alberta Museum is responsible for approximately 6,500 agricultural, industrial and transportation artifacts. This includes 465 cars, trucks and motorcycles; 365 tractors and engines; 395 agricultural machines and 467 industrial artifacts. Also included are 101 vintage aircraft, the second largest collection in Canada. The museum houses over 850 linear metres of documents relating to its mechanization themes.

(f) The Remington Carriage Museum houses one of the largest collections of horse-drawn vehicles in North America, with 305 carriages, buggies, wagons and sleighs, and approximately 760 associated small artifacts.

(g) The Ukrainian Cultural Heritage Village contains 60 historical buildings that document Ukrainian settlement in east-central Alberta from 1892 to 1930. Structures include a grain elevator, sod house, blacksmith shop, farm buildings and churches.

(h) The Historic Resources Management Branch is responsible for eight undeveloped historic sites, two developed historic sites, two developed sites leased to non-government entities, 13 cairns, and six archaeological sites.

(i) The Heritage Division is also responsible for approximately 1,900 hectares of historically-significant land.

(j) The Provincial Archives of Alberta holds approximately 51,540 linear metres of government textual records; 4,360 linear metres of private records; 150,750 maps, plans and drawings; 1,788,700 photographic images; 69,740 objects of audiovisual holdings such as film, video and audio recordings; and 14,625 volumes of library holdings.

(k) The government-owned heritage collections also include materials that are managed under contract by the Glenbow Museum. Glenbow provides public access to collections that include approximately 200,000 natural and human history artifacts, 3,700 linear metres of textual and archival records, over 2.1 million historical photographs, 350 hours of film footage and 7,200 sound recordings.

(l) The Arts Branch manages 14 collections containing approximately 2,000 donated, purchased and/or commissioned artworks.

(m) The Alberta Sport Connection has artwork consisting of 17 prints (2015 – 17 prints) of the Waterfowl North America Collection #1250 with an approximate value of $5.

Ministry of Culture and Tourism
Schedule to the Consolidated Financial Statements
Artworks and Collections
Year Ended March 31, 2016
(in thousands)
(Unaudited)

(n) The Government House Foundation actively collects various significant items pertaining to the history of Government House. The collection is accessible to the public and consists of paintings, drawings, prints, sculptures, furnishings, books and silverware. The majority of the collection is used or displayed in Government House, while some items are on loan to other provincial institutions.

At March 31, 2016, the collection consisted of 655 (2015– 650) pieces of artworks and other items, with an estimated value of $1,051,680 (2015 – $1,049,600). There were no purchases in 2016 (2015 – six) with an appraised value of nil (2015 – $600). During the year, the Foundation received five donations to the collection (2015 – Nil) with an appraised value of $1,575 (2015- Nil) and there were no dispositions during the year (2015 – Nil). The collection is insured.

(o) The Alberta Foundation for the Arts actively collects visual artworks, which document the province's significant visual artistic achievement. The collection is accessible to the public and consists of paintings, sculptures, drawings, photographs, ceramics, glass, fibre and prints.

At March 31, 2016, the collection consisted of 8,800 (2015 – 8,600) artworks. The Foundation has estimated the value at $14,690,482 (2015 – $13,820,982). During the year, the Foundation purchased 66 (2015 – 59) artworks at a cost of $387,595 (2015 –$285,000). There were 135 (2015 – 20) donations to the collection during the year. These donations were appraised at a value of $482,705 (2015 – $307,500). There was one artwork disposition during the year for $800 (2015 – Nil). The collection is insured.

(p) The Alberta Historical Resources Foundation has a collection of historical assets which is comprised of paintings, sketches, photographs and antique furnishings. At March 31, 2016, the collection consisted of 374 (2015 – 374) artworks with an estimated value of $15,940 (2015 – $15,940) and 30 (2015 – 30) antique furnishings with an estimated value of $12,700 (2015 – $12,700). During the year, the Foundation did not acquire any historical assets (2015 – Nil). There were no artwork dispositions during the year (2015 – Nil). The collection is insured.

Department of Culture and Tourism

Financial Statements

March 31, 2016

Department of Culture and Tourism
Financial Statements
March 31, 2016

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Change in Net Debt

Statement of Cash Flows

Notes to the Financial Statements

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Schedule 2 – Credit or Recovery

Schedule 3 – Expenses – Directly Incurred Detailed by Object

Schedule 4 – Lapse/Encumbrance

Schedule 5 – Lottery Fund Estimates

Schedule 6 – Salary and Benefits Disclosure

Schedule 7 – Related Party Transactions

Schedule 8 – Allocated Costs

Schedule 9 – Tangible Capital Assets

Schedule 10 – Artworks and Collections (Unaudited)

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Minister of Culture and Tourism

Report on the Financial Statements

I have audited the accompanying financial statements of the Department of Culture and Tourism, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Culture and Tourism as at March 31, 2016, and the results of its operations, its changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

June 6, 2016

Edmonton, Alberta

Department of Culture and Tourism
Statement of Operations
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual Restated (Note 3)
Revenues (Schedule 1)			
Government Transfers			
Government of Alberta Grants	$ 80	$ 52	$ 60
Federal Government Grants	650	650	650
Premiums, Fees and Licences	600	764	595
Other	3,520	2,553	1,970
	4,850	4,019	3,275
Expenses – Directly Incurred (Note 2(b) and Schedules 3, 4 and 8)			
Ministry Support Services	15,867	15,201	14,938
Creative Industries	66,868	75,929	60,261
Community and Voluntary Support Services	91,908	85,674	101,621
Francophone Secretariat	1,310	1,279	1,236
Heritage	45,506	43,280	44,770
Recreation and Physical Activity	27,320	27,159	31,964
Tourism	67,225	66,282	70,097
2013 Alberta Flooding	5,710	1,932	5,818
	321,714	316,736	330,705
Annual Operating Deficit	$ (316,864)	$ (312,717)	$ (327,430)

The accompanying notes and schedules are part of these financial statements.

Department of Culture and Tourism
Statement of Financial Position
As at March 31, 2016
(in thousands)

	2016	2015 Restated (Note 3)
Financial Assets		
Cash and Cash Equivalents	$ 278	$ 104
Accounts Receivable (Note 5)	1,395	1,136
	1,673	1,240
Liabilities		
Accounts Payable and Accrued Liabilities	24,893	39,056
Liabilities for Contaminated Sites (Note 6)	7,206	7,617
	32,099	46,673
Net Debt	(30,426)	(45,433)
Non-Financial Assets		
Tangible Capital Assets (Schedule 9)	14,981	16,836
Net Debt	$ (15,445)	$ (28,597)
Net Debt at Beginning of Year	$ (28,597)	$ (23,562)
Annual Operating Deficit	(312,717)	(327,430)
Net Financing Provided from General Revenues	325,869	322,395
Net Debt at End of Year	$ (15,445)	$ (28,597)

Contingent Liabilities and Contractual Obligations (Notes 7 and 8)

The accompanying notes and schedules are part of these financial statements.

Department of Culture and Tourism
Statement of Change in Net Debt
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual Restated (Note 3)
Annual Operating Deficit	$ (316,864)	$ (312,717)	$ (327,430)
Acquisition of Tangible Capital Assets (Schedule 9)	(2,342)	(1,897)	(1,997)
Amortization of Tangible Capital Assets (Schedule 9)	2,514	1,947	1,777
Loss on Sale of Tangible Capital Assets		490	230
Transfer of Tangible Capital Assets		1,315	-
Proceeds on Sale of Tangible Capital Assets		-	24
Net Financing Provided from General Revenue		325,869	322,395
Decrease (Increase) in Net Debt		$ 15,007	$ (5,001)
Net Debt at Beginning of Year		(45,433)	(40,432)
Net Debt at End of Year		$ (30,426)	$ (45,433)

The accompanying notes and schedules are part of these financial statements.

Department of Culture and Tourism
Statement of Cash Flows
Year Ended March 31, 2016
(in thousands)

	2016	2015 Restated (Note 3)
Operating Transactions		
Annual Operating Deficit	$ (312,717)	$ (327,430)
Non-cash Items Included in Annual Operating Deficit		
Amortization of Tangible Capital Assets (Schedule 9)	1,947	1,777
Loss on Disposal of Tangible Capital Assets	490	230
	(310,280)	(325,423)
(Increase) Decrease in Accounts Receivable	(259)	45
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(14,163)	5,111
(Decrease) in Liability for Contaminated Sites	(411)	(130)
Cash (Applied to) Operating Transactions	(325,113)	(320,397)
Capital Transactions		
Acquisition of Tangible Capital Assets (Schedules 4 and 9)	(1,897)	(1,997)
Transfers of Tangible Capital Assets (Schedule 9)	1,315	-
Proceeds on Sale of Tangible Capital Assets (Schedule 9)	-	24
Cash (Applied to) Capital Transactions	(582)	(1,973)
Financing Transactions		
Net Financing Provided from General Revenues	325,869	322,395
Cash Provided from Financing Transactions	325,869	322,395
Increase in Cash and Cash Equivalents	174	25
Cash and Cash Equivalents at Beginning of Year	104	79
Cash and Cash Equivalents at End of Year	$ 278	$ 104

The accompanying notes and schedules are part of these financial statements.

Department of Culture and Tourism
Notes to the Financial Statements
March 31, 2016

Note 1 Authority and Purpose

The Department of Culture and Tourism (Department) operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The purpose of the Department is to enhance quality of life and prosperity in Alberta's communities. This is done by working towards the following desired outcomes:

- Alberta has a thriving culture that is valued by Albertans;
- Alberta's rich heritage is promoted, and historical resources are preserved and accessible to Albertans, Canadians and international audiences;
- Tourism provides sustainable economic growth to all regions of Alberta;
- Alberta has resilient and engaged communities supported by a strong nonprofit/voluntary sector;
- Albertans enjoy improved health and wellness and strong communities through recreation and active living; and
- Alberta has a sustainable, vibrant arts sector and cultural industries that inspire creativity and innovation.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards (PSAS).

(a) Reporting Entity

The reporting entity is the Department of Culture and Tourism, which is part of the Ministry of Culture and Tourism (Ministry) and for which the Minister of Culture and Tourism (the Minister) is accountable.

Other entities reporting to the Minister are:

- Alberta Foundation for the Arts;
- Alberta Sport Connection;
- Historic Resources Fund;
- The Alberta Historical Resources Foundation;
- The Government House Foundation;
- The Wild Rose Foundation; and
- Travel Alberta Corporation.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(a) Reporting Entity (continued)

The activities of these organizations are not included in these financial statements.

The Ministry annual report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the President of Treasury Board and Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net Financing provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting.

Government Transfers

Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred revenue if the eligibility criteria of the transfer, or the stipulations together with the department's actions and communications as to the use of transfers create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, the department complies with its communicated uses of these transfers.

All other government transfers, without terms for the use of the transfer, are recorded as revenue when the transfer is authorized and the department meets the eligibility criteria (if any).

Deferred Revenue

Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Credit or Recovery

Credit or recovery initiatives provide a basis for authorizing spending. Credits or recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual credit or recovery amounts exceed budget, the Department may, with the approval of the Treasury Board Committee, use the excess to fund additional expenses of the program. Schedule 2 discloses information on the Department's credit or recovery initiatives.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the government's budget documents.

Grants are recognized as expenses when authorized, eligibility criteria are met and a reasonable estimate of the amounts can be made.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets;
- pension costs, which are the cost of employer contributions for current service of employees during the year; and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime and contaminated sites.

Incurred by Others

Services contributed by other entities in support of the Department operations are not recognized and are disclosed in Schedule 7 and allocated to programs in Schedule 8.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets of the department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Financial Assets (continued)

Accounts Receivable

Accounts receivable are recorded at the lower of cost or net recoverable value. A valuation allowance is recorded when recovery is uncertain.

Liabilities

Liabilities are present obligations of a government to others arising from past transactions or events, the settlement of which is expected to result in the future sacrifice of economic benefits.

Liabilities for Contaminated Sites

Contaminated sites are a result of contamination of a chemical, organic or radioactive material or live organism that exceeds an environmental standard, being introduced into soil, water or sediment. The liabilities are recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

i. an environmental standard exists;
ii. contamination exceeds the environmental standard;
iii. the Department is directly responsible or accepts responsibility;
iv. it is expected that future economic benefits will be given up; and
v. a reasonable estimate of the amount can be made.

Non-Financial Assets

Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

i. are normally employed to deliver government services;
ii. may be consumed in the normal course of operations; and
iii. are not for sale in the normal course of operations.

Non-financial assets of the department are limited to tangible capital assets.

Tangible Capital Assets

Tangible capital assets of the department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Non-Financial Assets (continued)

Contributed tangible capital assets are recorded at their fair value at the time of contribution.

Amortization is only charged if the tangible capital asset is put into service.

When physical assets (tangible capital assets and inventories of supplies) are gifted or sold for a nominal sum, the net book value of these physical assets less any nominal proceeds are recorded as grants in kind.

Assets acquired by right are not included.

Artworks and Collections

Works of art, historical treasures and collections are not recognized in these financial statements. Purchases of collection items are expensed in the period in which the items are acquired. Donations of collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Liabilities for contaminated sites are recorded in the amount of $7,206 (2015 – $7,617) for Heritage, based on management's best estimates that reflect the environmental information known at the time. Further environmental assessments, changes in environmental legislation or other unanticipated changes may affect these estimates.

(c) 2013 Alberta Flooding

The full recovery from the June 2013 flood in southern Alberta will take a number of years. The Province's flood recovery initiatives, through its Disaster Recovery Program (DRP), provides financial assistance to impacted individuals, small businesses, municipalities, and government departments for uninsurable loss and damage. The DRP is administered and funded by the Alberta Emergency Management Agency of the Department of Municipal Affairs through the authority of the *Disaster Recovery Regulation*.

The Province's flood recovery initiatives include non-disaster recovery programs (non-DRP). Costs associated with non-disaster recovery programs are recognized as they are incurred. These costs are net of recoveries from insurance and other third parties.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(d) Change in Accounting Policy

Adoption of the Net Debt Presentation

A net debt presentation (with reclassification of comparatives) has been adopted for the presentation of financial statements. Net debt or net financial assets is measured as the difference between the department's financial assets and liabilities.

The effect of this change results in changing the presentation of the Statement of Financial Position and adding an additional Statement of Changes in Net Debt/ Net Financial Assets.

(e) Future Accounting Changes

In June 2015 the Public Sector Accounting Board issued these following accounting standards:

- **PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions (effective April 1, 2017)**
  PS 2200 defines a related party and establishes disclosures required for related party transactions; PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)**
  PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; PS 3380 defines and establishes disclosure standards on contractual rights. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**
  This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/ or liabilities, together with related program or operating responsibilities. Management is currently assessing the impact of this standard on the financial statements.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(e) Future Accounting Changes (continued)

PS 3450 Financial Instruments
In June 2011 the Public Sector Accounting Board issued this accounting standard effective April 1, 2019. The department has not yet adopted this standard and has the option of adopting it in fiscal year 2019-20 or earlier. Adoption of this standard requires corresponding adoption of: PS 2601 Foreign Currency Translation; PS 1201 Financial Statement Presentation; and PS 3041 Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments. Management is currently assessing the impact of these standards on the financial statements.

Note 3 Program Transfer
(in thousands)

Programs were transferred from the Department of Culture and Tourism to Alberta Sport Connection ($1,295) for Hosting Major Athletic Events and Event Support.

Programs were transferred from the Department of Culture and Tourism to the Department of Environment and Parks ($9,164).

The following items were transferred to the Department of Culture and Tourism:
- the responsibility for funding the communications director and assistant communications director positions were transferred from the Department of Executive Council ($286);
- the Major Fairs program was transferred from the Department of Agriculture and Forestry ($19,348).

Comparatives for 2015 have been restated as if the department had always been assigned with its current responsibilities. The effect was an increase in expenses by $10,470 from $320,235 to $330,705. There was no effect on revenue. This change is offset by an increase in the Net Financing Provided from General Revenues of $10,470.

Note 4 Subsequent Events

Dissolution of Agencies

Budget 2016 announced the dissolution of the Wild Rose Foundation and The Government House Foundation and the transfer of all their activities and responsibilities to the Department of Culture and Tourism. The Government House Foundation's assets (except cash), liabilities and obligations and the Wild Rose Foundation's assets, liabilities and obligations will be transferred to the Department of Culture and Tourism.

Note 4 Subsequent Events (continued)

Fort McMurray Wildfires

In May 2016, wildfires seriously affected Fort McMurray and surrounding communities. The government is in the process of providing financial assistance for uninsurable loss and damage through its Disaster Recovery Programs (DRP). The DRP is administered and funded by Alberta Emergency Management Agency through the authority of the Disaster Recovery Regulation.

The Province, subject to certain criteria, may recover part of the above costs from the federal government through the Disaster Financial Assistance Arrangement, pending approval through its Order in Council.

The financial impact on the government (ministry/department/entity) may be significant but is uncertain at this stage.

Note 5 Accounts Receivable
(in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2016			2015
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 1,395	$ -	$ 1,395	$ 1,136

Note 6 Liabilities for Contaminated Sites
(in thousands)

The composition of liabilities is as follows:

	2016	2015
Liabilities at Beginning of Year	$ 7,617	$ 7,747
Additions to Liabilities During the Year	-	-
Change in Estimate Related to Existing Sites	-	582
Remediation Work Performed	(411)	(712)
Liabilities at End of Year	$ 7,206	$ 7,617

The Department has accepted responsibility and is performing remediation work at three provincial historic sites (Turner Valley Gas Plant, Greenhill Mine and Bitumount) which have remnants of industrial activity that occurred prior to present day reclamation standards and guidelines. The current remediation plan covers activities for the next few years to ensure that the sites meet current regulatory standards for the environment and public health. The liability estimates are based on costs incurred in previous years, on consultants' reports and preliminary cost estimates, and on forecasting anticipated project costs in years to come. The anticipated timing of future expenditures is $852 in 2016-17; $1,667 in 2017-18; $4,501 in 2018-19 and $186 in 2019 and onwards.

Note 7 Contingent Liabilities
(in thousands)

The Department is involved in legal matters where damages are being sought. These matters may give rise to contingent liabilities.

The Department has been named in two (2015 – five) claims of which outcome is not determinable. Both claims (2015 – five) have no amount specified. The two claims are not covered in whole or in part by the Alberta Risk Management Fund (2015 – included in the total claims, two claims are covered in whole or in part by the Alberta Risk Management Fund). The resolution of indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

Note 8 Contractual Obligations
(in thousands)

Contractual obligations are obligations of the Department to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2016	2015
Grants	$ 68,544	$ 76,614
Service Contracts	7,390	4,317
Operating Leases	-	22
	$ 75,934	$ 80,953

Estimated payment requirements for each of the next four years and thereafter are as follows:

	Grants	Service Contracts	Total
2016-17	$ 67,544	$ 4,856	$ 72,400
2017-18	-	2,136	2,136
2018-19	1,000	398	1,398
Thereafter	-	-	-
	$ 68,544	$ 7,390	$ 75,934

Note 9 Benefit Plans
(in thousands)

The Department participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $7,021 for the year ended March 31, 2016 (2015 – $7,213). Departments are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2015, the Management Employees Pension Plan reported a surplus of $299,051 (2014 – surplus $75,805), the Public Service Pension Plan reported a deficiency of $133,188 (2014 – deficiency $803,299) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of $16,305 (2014 – deficiency $17,203).

The Department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2016, the Bargaining Unit Plan reported an actuarial surplus of $83,006 (2015 – surplus $86,888) and the Management, Opted Out and Excluded Plan reported an actuarial surplus of $29,246 (2015 – surplus $32,343). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 10 Comparative Figures

Certain 2015 figures have been reclassified to conform to the 2016 presentation.

Note 11 Approval of Financial Statements

The financial statements were approved by the senior financial officer and the deputy minister.

Schedule 1

Department of Culture and Tourism
Schedule to Financial Statements
Revenues
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual
Government Transfers			
Government of Alberta Grants			
Alberta Heritage Scholarship Fund	$ 80	$ 52	$ 60
Federal Government Grants			
Canada – Alberta Cooperation Agreement on French Language Services	650	650	650
Premiums, Fees and Licences			
Film Classification	600	764	595
Other			
Donations and Contributions in Kind	2,000	521	160
Prior Years Refunds of Expenses	472	892	554
Other	1,048	1,140	1,256
	3,520	2,553	1,970
Total Revenues	$ 4,850	$ 4,019	$ 3,275

Department of Culture and Tourism
Schedule to Financial Statements
Credit or Recovery
Year Ended March 31, 2016
(in thousands)

	Authorized	Actual Revenue Recognized[1]	(Shortfall)/ Excess[4]
Royal Alberta Museum[2]	$ 1,005	$ 959	$ (46)
Francophone Secretariat[3]	650	650	-
	$ 1,655	$ 1,609	$ (46)

(1) Revenues from Credit or Recovery initiatives are included in the Department's revenues in the Statement of Operations and Schedule 1.

(2) Funding from the Alberta Biodiversity Institute for specimen sorting, identification, and storage which assists in assessing the impact of land management practices on biodiversity.

(3) Francophone Secretariat administers the provision of federal government funding to francophone communities to support the planning and delivery of quality French-language services and to support initiatives aimed at contributing to the development of francophone communities.

(4) Shortfall is deducted from current year's authorized budget, as disclosed in Schedule 4 to the financial statements.

Schedule 3

Department of Culture and Tourism
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual Restated (Note 3)
Grants	$ 237,278	$ 243,700	$ 255,552
Salaries, Wages and Employee Benefits	64,921	60,286	58,388
Supplies and Services	22,783	16,507	19,293
Amortization of Tangible Capital Assets	2,514	1,947	1,777
Supplies and Services from Support Service Arrangements with Related Parties[1]	200	180	329
Other	65	535	921
Total Expenses before Recoveries	327,761	323,155	336,260
Less: Recovery from Support Service Arrangements with Related Parties[2]	(6,047)	(6,419)	(5,555)
	$ 321,714	$ 316,736	$ 330,705

(1) The Department receives Data Storage services from the Department of Treasury Board and Finance.

(2) The Department provides financial and administrative services to the funds and agencies of the Ministry of Culture and Tourism. Costs incurred by the Department for these services are recovered.

Schedule 4

Department of Culture and Tourism
Schedule to Financial Statements
Lapse/Encumbrance
Year Ended March 31, 2016
(in thousands)

	Voted Estimates[1]	Supplementary Estimate	Adjustments[2]	Adjusted Voted Estimates	Voted Actuals[3]	Unexpended (Over Expended)
Program – Operating Expense						
Ministry Support Services						
1.1 Minister's Office	$ 675	$ -	$ -	$ 675	$ 728	$ (53)
1.2 Deputy Minister's Office	620	-	-	620	590	30
1.3 Human Resources	1,250	-	-	1,250	1,304	(54)
1.4 Communications	1,240	-	-	1,240	1,129	111
1.5 Corporate Services	11,025	-	-	11,025	10,365	660
	14,810	-	-	14,810	14,116	694
Creative Industries						
2.1 Program Support	600	-	-	600	390	210
2.2 Arts	1,450	-	-	1,450	996	454
2.3 Cultural Industries	1,330	-	-	1,330	1,241	89
2.4 Alberta Media Fund	36,800	-	-	36,800	46,658	(9,858)
2.5 Assistance to the Alberta Foundation for the Arts	26,650	-	-	26,650	26,650	-
	66,830	-	-	66,830	75,935	(9,105)

Department of Culture and Tourism
Schedule to Financial Statements
Lapse/Encumbrance
Year Ended March 31, 2016
(in thousands)

	Voted Estimates[1]	Supplementary Estimate	Adjustments[2]	Adjusted Voted Estimates	Voted Actuals[3]	Unexpended (Over Expended)
Program – Operating Expense (continued)						
Community and Voluntary Support Services						
3.1 Program Support	$ 890	$ -	$ -	$ 890	$ 550	$ 340
3.2 Community Engagement	10,900	-	-	10,900	9,523	1,377
3.3 Community Initiatives Program	24,585	-	-	24,585	19,719	4,866
3.4 Other Initiatives	2,100	-	-	2,100	4,355	(2,255)
3.7 Major Fairs	15,348	-	-	15,348	15,348	-
	53,823	-	-	53,823	49,495	4,328
4. Francophone Secretariat	1,310	-	-	1,310	1,279	31
Heritage						
5.1 Program Support	1,315	-	-	1,315	1,266	49
5.2 Royal Alberta Museum	11,605	-	-	11,605	10,945	660
5.3 Royal Tyrrell Museum	2,425	-	-	2,425	2,317	108
5.4 Historic Sites and Other Museums	9,630	-	400	10,030	9,951	79
5.5 Provincial Archives of Alberta	3,320	-	-	3,320	3,304	16
5.6 Historic Resources Management	5,580	-	-	5,580	4,978	602
5.7 Assistance to the Alberta Historical Resources Foundation	8,200	-	-	8,200	8,200	-
	42,075	-	400	42,475	40,961	1,514

Schedule 4
(continued)

Department of Culture and Tourism
Schedule to Financial Statements
Lapse/Encumbrance
Year Ended March 31, 2016
(in thousands)

	Voted Estimates[1]	Supplementary Estimate	Adjustments[2]	Adjusted Voted Estimates	Voted Actuals[3]	Unexpended (Over Expended)
Program – Operating Expense (continued)						
Recreation and Physical Activity						
6.1 Recreation and Physical Activity Services	$ 5,300	$ -	$ -	$ 5,300	$ 5,040	$ 260
6.2 Assistance to the Alberta Sport Connection	22,020	-	-	22,020	22,020	-
	27,320	-	-	27,320	27,060	260
Tourism						
7.1 Program Support	570	-	-	570	583	(13)
7.2 Destination Development and Visitor Services	8,260	-	-	8,260	7,295	965
7.3 Business Development and Investment Attraction	2,790	-	-	2,790	1,664	1,126
7.4 Policy and Strategy	1,045	-	-	1,045	931	114
7.5 Assistance to Travel Alberta Corporation	54,450	-	-	54,450	54,450	-
	67,115	-	-	67,115	64,923	2,192

Department of Culture and Tourism
Schedule to Financial Statements
Lapse/Encumbrance
Year Ended March 31, 2016
(in thousands)

	Voted Estimates[1]	Supplementary Estimate	Adjustments[2]	Adjusted Voted Estimates	Voted Actuals[3]	Unexpended (Over Expended)
Program – Operating Expense (continued)						
2013 Alberta Flooding						
8.3 Historic Resources Management	$ 2,550	$ -	$ -	$ 2,550	$ 1,772	$ 778
8.4 Tourism	160	-	-	160	160	-
8.5 Historic Sites and Other Museums	3,000	-	-	3,000	-	3,000
	5,710	-	-	5,710	1,932	3,778
Capital Grants						
Community and Voluntary Support Services						
3.5 Community Facility Enhancement Program	$ 38,000	$ -	$ -	$ 38,000	$ 36,150	$ 1,850
5.8 Heritage Infrastructure	-	-	-	-	371	(371)
7.2 Destination Development and Visitor Services	-	-	-	-	1,350	(1,350)
	38,000	-	-	38,000	37,871	129
Credit or Recovery Shortfall (Schedule 2)	$ -	$ -	$ (46)	$ (46)	$ -	$ (46)
Total	$ 316,993	$ -	$ 354	$ 317,347	$ 313,572	$ 3,775
Lapse/(Encumbrance)						$ 3,775

Schedule 4
(continued)

Department of Culture and Tourism
Schedule to Financial Statements
Lapse/Encumbrance
Year Ended March 31, 2016
(in thousands)

	Voted Estimates[1]	Supplementary Estimate	Adjustments[2]	Adjusted Voted Estimates	Voted Actuals[3]	Unexpended (Over Expended)
Investment						
Ministry Support Services						
1.5 Corporate Services	$ 475	$ -	$ -	$ 475	$ 168	$ 307
Creative Industries						
2.2 Arts	-	-	-	-	23	(23)
2.3 Cultural Industries	-	-	-	-	307	(307)
Heritage						
5.8 Heritage Infrastructure	1,867	-	(400)	1,467	1,399	68
Total	$ 2,342	$ -	$ (400)	$ 1,942	$ 1,897	$ 45
Lapse/(Encumbrance)						$ 45
Financial Transactions						
Heritage						
5.8 Heritage Infrastructure	$ 1,618	$ -	$ -	$ 1,618	$ 411	$ 1,207
Total	$ 1,618	$ -	$ -	$ 1,618	$ 411	$ 1,207
Lapse/(Encumbrance)						$ 1,207

(1) As per "Expense Vote by Program" and "Capital Investment Vote by Program" and "Financial Transactions Vote by Program" pages of 2015-16 Government Estimates.
(2) Adjustments include credit or recovery increases approved by Treasury Board and credit or recovery shortfalls (Schedule 2).
(3) Actuals exclude non-voted amounts such as amortization and valuation adjustments.

Schedule 5

Department of Culture and Tourism
Schedule to Financial Statements
Lottery Fund Estimates
Year Ended March 31, 2016
(in thousands)

	2015-16 Lottery Fund Estimates	2015-16 Actual	Unexpended (Over Expended)
Creative Industries			
2.4 Alberta Media Fund	$ 36,800	$ 41,544	$ (4,744)
2.5 Assistance to the Alberta Foundation for the Arts	26,650	26,650	-
Community and Voluntary Support Services			
3.3 Community Initiatives Program	24,585	19,719	4,866
3.4 Other Initiatives	2,100	4,055	(1,955)
3.5 Community Facility Enhancement Program	38,000	36,150	1,850
3.7 Major Fairs	15,348	15,348	-
Heritage			
5.7 Assistance to the Alberta Historical Resources Foundation	8,200	8,200	-
Recreation and Physical Activity			
6.2 Assistance to the Alberta Sport Connection	22,020	22,020	-
	$ 173,703	$ 173,686	$ 17

The revenue of the Lottery Fund was transferred to the Department of Treasury Board and Finance on behalf of the General Revenue Fund in 2015-16. Having been transferred to the General Revenue Fund, these monies then become part of the Department's supply vote. This table shows details of the initiatives within the Department that are funded by the Lottery Fund and compares it to the actual results.

Department of Culture and Tourism
Schedule to Financial Statements
Salary and Benefits Disclosure
Year Ended March 31, 2016
(in thousands)

	2016				2015
	Base Salary[1]	Other Cash Benefits[2]	Other Non-cash Benefits[3]	Total	Total
Senior Officials					
Deputy Minister[4]	$ 290	$ 8	$ 73	$ 371	$ 348
Executives					
Assistant Deputy Minister, Creative and Community Development Division[5]	167	-	65	232	165
Assistant Deputy Minister, Heritage Division	203	-	54	257	240
Assistant Deputy Minister, Policy and Strategic Corporate Services Division	204	15	10	229	210
Assistant Deputy Minister, Tourism Division	185	-	50	235	214
Executive Director, Human Resource Services[5]	147	41	41	229	205
Executive Director, Financial Services	167	-	45	212	207
Executive Director, Information Management and Technology Services[6]	110	-	29	139	-
Executive Director, Recreation and Physical Activity Services	144	22	40	206	177
Executive Director, Integration and Planning, Office of the Deputy Minister[7]	115	-	31	146	-
Executive Director, Francophone Secretariat	135	-	38	173	12
Director, Communications	122	-	35	157	151
Chief of Staff, Office of the Deputy Minister[8]	50	-	14	64	149

[1] Base salary includes pensionable base pay.
[2] Other cash benefits include vacation payout and lump sum payments. There were no bonuses paid in 2016.
[3] Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.
[4] No automobile provided, therefore vehicle allowance is included.
[5] This position was occupied by two or more individuals at different times during the year.
[6] This position became part of Executive Committee on July 1, 2015.
[7] This position became part of Executive Committee on June 1, 2015.
[8] This position ended on August 31, 2015.

Department of Culture and Tourism
Schedule to Financial Statements
Related Party Transactions
Year Ended March 31, 2016
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements. Related parties also include key management personnel in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Department had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Revenues				
Alberta Heritage Scholarship Fund	$ -	$ -	$ 52	$ 60
Other	-	-	4	-
	$ -	$ -	$ 56	$ 60
Expenses – Directly Incurred				
Grants	$ 111,320	$ 118,429	$ 2,844	$ 2,524
Other services	-	-	2,127	2,746
	$ 111,320	$ 118,429	$ 4,971	$ 5,270
Tangible Capital Assets Transferred (to) from	$ -	$ (24)	$ (1,315)	$ -
Payable to	$ -	$ -	$ 13	$ 22
Receivable from	$ 544	$ 213	$ -	$ -
Contractual Obligations	$ -	$ -	$ -	$ 1,614

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

Department of Culture and Tourism
Schedule to Financial Statements
Related Party Transactions
Year Ended March 31, 2016
(in thousands)

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 8.

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Recoveries				
Services Provided	$ 645	$ 556	$ -	$ -
Expenses – Incurred by Others				
Accommodation	$ -	$ -	$ 44,726	$ 43,868
Legal Services	-	-	216	132
Business Services	-	-	2,633	3,260
	$ -	$ -	$ 47,575	$ 47,260

Schedule 8

Department of Culture and Tourism
Schedule to Financial Statements
Allocated Costs
Year Ended March 31, 2016
(in thousands)

	2016						2015
		Expenses – Incurred by Others					Restated (Note 3)
Program	Expenses[1]	Services Provided[2]	Accommodation[3]	Legal Services[4]	Business Services[5]	Total Expenses	Total Expenses
Ministry Support Services	$ 15,201	$ -	$ 855	$ 55	$ 399	$ 16,510	$ 16,308
Creative Industries	75,929	-	9,558	11	234	85,732	69,903
Community and Voluntary Support Services	85,674	-	888	10	362	86,934	103,016
Francophone Secretariat	1,279	-	35	-	29	1,343	1,308
Heritage	43,280	(645)	32,488	127	1,217	76,467	77,655
Recreation and Physical Activity	27,159	-	341	2	212	27,714	32,579
Tourism	66,282	-	561	11	180	67,034	70,940
2013 Alberta Flooding	1,932	-	-	-	-	1,932	5,818
	$ 316,736	$ (645)	$ 44,726	$ 216	$ 2,633	$ 363,666	$ 377,527

(1) Expenses – Directly Incurred as per Statement of Operations.
(2) The Department of Culture and Tourism provided financial and administrative services to its funds and agencies.
(3) The Department of Infrastructure provided accommodations. Costs shown for Accommodation on Schedule 7, allocated by square footage.
(4) The Department of Justice and Solicitor General provided legal services. Costs for Legal Services on Schedule 7, allocated by estimated costs incurred by each program.
(5) Cost shown for Business Services include charges for IT support, vehicles, air transportation, internal audit services and other service on Schedule 7, allocated by costs in certain programs.

Schedule 9

Department of Culture and Tourism
Schedule to Financial Statements
Tangible Capital Assets
Year Ended March 31, 2016
(in thousands)

	2016					2015
	General Capital Assets			Infrastructure Assets		
	Equipment[1]	Computer Hardware and Software	Land	Land Improvements	Total	Total
Estimated Useful Life	3-10 years	5-8 years	Indefinite	40 years		
Historical Cost[2]						
Beginning of Year	$ 14,709	$ 8,311	$ 3,697	$ 3,602	$ 30,319	$ 28,684
Additions	1,437	399	-	61	1,897	1,997
Disposals, Including Write-Downs	(464)	(250)	-	(8)	(722)	(338)
Transfers (to) from Others[3]	-	-	374	(1,689)	(1,315)	(24)
	$ 15,682	$ 8,460	$ 4,071	$ 1,966	$ 30,179	$ 30,319
Accumulated Amortization						
Beginning of Year	$ 8,306	$ 4,855	$ -	$ 322	$ 13,483	$ 11,814
Amortization Expense	1,219	675	-	53	1,947	1,777
Effect of Disposal	(232)	-	-	-	(232)	(108)
Transfers (to) from Others[3]	-	-	-	-	-	-
	$ 9,293	$ 5,530	$ -	$ 375	$ 15,198	$ 13,483
Net Book Value at March 31, 2016	$ 6,389	$ 2,930	$ 4,071	$ 1,591	$ 14,981	
Net Book Value at March 31, 2015	$ 6,403	$ 3,456	$ 3,697	$ 3,280		$ 16,836

(1) Equipment includes network switches and routers, vehicles, office equipment and furniture, and other equipment.
(2) Historical cost includes work-in-progress at March 31, 2016 totalling $1,762 (2015 - $4,797) comprised of: equipment $1,363 (2015 - $907); computer hardware and software $399 (2015 - $2,241); and land improvements Nil (2015 - $1,649).
(3) Transfer of land was made from the Department of Infrastructure at a net book value of $374 and transfer of land improvements was made to the Department of Infrastructure at a net book value of $1,689.

Department of Culture and Tourism
Schedule to Financial Statements
Artworks and Collections Schedule
Year Ended March 31, 2016
(in thousands)
(Unaudited)

Collections consist of cultural and scientific artifacts, archival holdings and works of art of provincial, national and international significance that are located in government-owned museums, historic sites and the Provincial Archives. The Ministry has not recorded the value of these collections in the financial statements due to the practical difficulties of reflecting them at a meaningful value. Significant artifacts, specimens and records are insured. A description of the collections is as follows:

(a) The collections of the Royal Alberta Museum represent Alberta's highly diverse cultural and natural heritage. They consist of 2,124,000 natural history specimens, 154,500 ethnological and historical artifacts, and millions of archaeological objects spanning 10,000 years of Alberta history. The collections include mammals, birds, fish, insects, plants, minerals, gems, First Nations ethnographical material, military and cultural history artifacts, coins, art, textile collections and archaeological materials recovered in Alberta through Historic Resources Impact Assessments. All collections include associated documentation and, in many cases, images and other media.

(b) The Royal Alberta Museum also is responsible for managing approximately 80,770 artifacts for the Ministry's historic sites. Approximately 8,000 objects are used to furnish the historical buildings at the Ukrainian Cultural Heritage Village, while an additional 5,000 objects are located at smaller sites throughout the province. The remaining artifacts are preserved in storage.

(c) The Royal Tyrrell Museum of Palaeontology collections are among the best in North America. Over 150,000 catalogued specimens document the early history of life on earth. The collections include fossils, geological samples, comparative zoology specimens, and an extensive dinosaur mold and cast collection, as well as palaeontological materials recovered in Alberta through Historic Resource Impact Assessments. The Royal Tyrrell Museum is also responsible for one palaeontological site in southern Alberta.

(d) The Historic Sites and Museums Branch preserves and presents Alberta's history at two museums (Reynolds-Alberta Museum and Remington Carriage Museum), three interpretive centres (Oil Sands Discovery Centre, Head-Smashed-In Buffalo Jump and Frank Slide Interpretive Centre), seven developed historic sites (Leitch Collieries, Stephansson House, Victoria Settlement, Brooks Aqueduct, Father Lacombe Chapel, Fort George and Buckingham House, and Historic Dunvegan), one developed historic site leased to a society (Lougheed House), one developed site leased from the University of Alberta (Rutherford House), and one historic site currently under development (Turner Valley Gas Plant).

Department of Culture and Tourism
Schedule to Financial Statements
Artworks and Collections Schedule
Year Ended March 31, 2016
(in thousands)
(Unaudited)

(e) The Reynolds-Alberta Museum is responsible for approximately 6,500 agricultural, industrial and transportation artifacts. This includes 465 cars, trucks and motorcycles; 365 tractors and engines; 395 agricultural machines and 467 industrial artifacts. Also included are 101 vintage aircraft, the second largest collection in Canada. The museum houses over 850 linear metres of documents relating to its mechanization themes.

(f) The Remington Carriage Museum houses one of the largest collections of horse-drawn vehicles in North America, with 305 carriages, buggies, wagons and sleighs, and approximately 760 associated small artifacts.

(g) The Ukrainian Cultural Heritage Village contains 60 historical buildings that document Ukrainian settlement in east-central Alberta from 1892 to 1930. Structures include a grain elevator, sod house, blacksmith shop, farm buildings and churches.

(h) The Historic Resources Management Branch is responsible for eight undeveloped historic sites, two developed historic sites, two developed sites leased to non-government entities, 13 cairns, and six archaeological sites.

(i) The Heritage Division is also responsible for approximately 1,900 hectares of historically-significant land.

(j) The Provincial Archives of Alberta holds approximately 51,540 linear metres of government textual records; 4,360 linear metres of private records; 150,750 maps, plans and drawings; 1,788,700 photographic images; 69,740 objects of audiovisual holdings such as film, video and audio recordings; and 14,625 volumes of library holdings.

(k) The government-owned heritage collections also include materials that are managed under contract by the Glenbow Museum. Glenbow provides public access to collections that include approximately 200,000 natural and human history artifacts, 3,700 linear metres of textual and archival records, over 2.1 million historical photographs, 350 hours of film footage and 7,200 sound recordings.

(l) The Arts Branch manages 14 collections containing approximately 2,000 donated, purchased and/or commissioned artworks.

Alberta Foundation for the Arts

Financial Statements

March 31, 2016

Alberta Foundation for the Arts
Financial Statements
March 31, 2016

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Change in Net Financial Assets

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Related Party Transactions

Schedule 3 – Allocated Costs

Schedule 4 – Artworks and Collections (Unaudited)

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Board of Directors of the Alberta Foundation for the Arts and the Minister of Culture and Tourism

Report on the Financial Statements

I have audited the accompanying financial statements of the Alberta Foundation for the Arts, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Alberta Foundation for the Arts as at March 31, 2016, and the results of its operations, its changes in net financial assets. and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

June 6, 2016

Edmonton, Alberta

Alberta Foundation for the Arts
Statement of Operations
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual
Revenues			
Government of Alberta Transfers			
Transfers from the Department of Culture and Tourism	$ 26,650	$ 26,650	$ 28,050
Investment Income	62	85	120
Other Revenue	675	489	483
	27,387	27,224	28,653
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Support to Arts Organizations	19,954	20,405	21,397
Support to Individual Artists	3,709	3,647	3,941
Art Collection	2,544	2,258	2,066
Administration	1,208	915	1,175
	27,415	27,225	28,579
Annual Operating (Deficit) Surplus	$ (28)	$ (1)	$ 74
Accumulated Surplus, Beginning of Year		2,567	2,493
Accumulated Surplus, End of Year		$ 2,566	$ 2,567

The accompanying notes and schedules are part of these financial statements.

Alberta Foundation for the Arts
Statement of Financial Position
As at March 31, 2016
(in thousands)

	2016	2015
Financial Assets		
Cash and Cash Equivalents (Note 4)	$ 2,587	$ 2,671
Accounts Receivable (Note 5)	4	4
	2,591	2,675
Liabilities		
Accounts Payable and Accrued Liabilities	97	198
Net Financial Assets	2,494	2,477
Non-Financial Assets		
Tangible Capital Assets (Note 6)	72	90
Net Assets	$ 2,566	$ 2,567
Net Assets		
Accumulated Surplus	$ 2,566	$ 2,567

Contractual Obligations (Note 7)

The accompanying notes and schedules are part of these financial statements.

Alberta Foundation for the Arts
Statement of Change in Net Financial Assets
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual
Annual Operating (Deficit) Surplus	$ (28)	$ (1)	$ 74
Acquisition of Tangible Capital Assets (Note 6)		(10)	-
Amortization of Tangible Capital Assets (Note 6)	28	28	27
(Gain) on Sale of Tangible Capital Assets		-	(8)
Proceeds on Sale of Tangible Capital Assets		-	8
Increase in Net Financial Assets in the Year	$ -	$ 17	$ 101
Net Financial Assets, Beginning of Year		2,477	2,376
Net Financial Assets, End of Year		$ 2,494	$ 2,477

The accompanying notes and schedules are part of these financial statements.

Alberta Foundation for the Arts
Statement of Cash Flows
Year Ended March 31, 2016
(in thousands)

	2016	2015
Operating Transactions		
Annual Operating (Deficit) Surplus	$ (1)	$ 74
Non-cash Items		
Amortization of Tangible Capital Assets (Note 6)	28	27
(Gain) on Disposal of Tangible Capital Assets	-	(8)
	27	93
Decrease in Accounts Receivable	-	4
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(101)	105
Cash (Applied to) Provided by Operating Transactions	(74)	202
Capital Transactions		
Acquisition of Tangible Capital Assets (Note 6)	(10)	-
Proceeds on Disposal of Tangible Capital Assets	-	8
Cash (Applied to) Provided by Capital Transactions	(10)	8
(Decrease) Increase in Cash and Cash Equivalents	(84)	210
Cash and Cash Equivalents at Beginning of Year	2,671	2,461
Cash and Cash Equivalents at End of Year	$ 2,587	$ 2,671

The accompanying notes and schedules are part of these financial statements.

Alberta Foundation for the Arts
Notes to the Financial Statements
March 31, 2016

Note 1 Authority and Purpose

The Alberta Foundation for the Arts (Foundation) operates under the authority of the *Alberta Foundation for the Arts Act*, Chapter A-19, Revised Statutes of Alberta 2000.

The purposes of the Foundation are:

- to support and contribute to the development of literary, performing, visual and media arts in Alberta;
- to provide both individuals and organizations with opportunities to participate in the arts in Alberta;
- to promote the enjoyment of works of art created by Alberta artists;
- to oversee the collection, preservation and display of works of art by Alberta artists; and
- to encourage artists living in Alberta in their work.

The Foundation is an agent of the Crown in right of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards (PSAS).

(a) Reporting Entity

The reporting entity is the Alberta Foundation for the Arts, which is part of the Ministry of Culture and Tourism (Ministry) and for which the Minister of Culture and Tourism (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Government Transfers

Transfers from the Government of Alberta, other governments and other government entities are referred to as government transfers.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenues (continued)

Government Transfers (continued)

Government transfers and the associated externally restricted investment income are recorded as deferred revenue if the eligibility criteria for use of the transfer, or the stipulations together with the Foundation's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, the Foundation complies with its communicated use of the transfer.

All other government transfers, without stipulations for the use of the transfer, are recorded as revenue when the transfer is authorized and the Foundation meets the eligibility criteria (if any).

Donations and Non-Government Contributions

Donations and non-government contributions are received from individuals, corporations, and private sector not-for-profit organizations. Donations and non-government contributions may be unrestricted or externally restricted for operating or capital purposes.

Unrestricted donations and non-government contributions are recorded as revenue in the year received or in the year the funds are committed to the Foundation if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted donations, non-government contributions, and realized and unrealized gains and losses for the associated externally restricted investment income are recorded as deferred revenue if the terms for their use, or the terms along with the Foundation's actions and communications as to the use, create a liability. These resources are recognized as revenue as the terms are met and, when applicable, the Foundation complies with its communicated use.

In-kind donations of services and materials are recorded at fair value when such value can reasonably be determined. While volunteers contribute a significant amount of time each year to assist the Foundation, the value of their services is not recognized as revenue and expenses in the financial statements because fair value cannot be reasonably determined.

Investment Income

Investment income includes interest income earned on the Consolidated Cash Investment Trust Fund of the Province of Alberta accounts.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed. Transfers include entitlements, grants and transfers under shared cost agreements.

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the government's budget documents.

Grants and transfers are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

Incurred by Others

Services contributed by other entities in support of the Foundation's operations are not recognized and are disclosed in Schedule 2 and allocated to programs in Schedule 3.

Valuation of Financial Assets and Liabilities

The Foundation's financial assets and liabilities are generally measured as follows:

Financial Statement Component	Measurement
Cash and Cash Equivalents	Cost
Accounts Receivable	Lower cost or net recoverable value
Accounts Payable and Accrued Liabilities	Cost

Financial Assets

Financial assets are the Foundation's financial claims on external organizations and individuals.

Accounts Receivable

Accounts receivable are recorded at the lower of cost or net recoverable value. A valuation allowance is recorded when recovery is uncertain.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Liabilities

Liabilities represent present obligations of the Foundation to external organizations and individuals arising from transactions or events occurring before the year end. They are recorded when there is an appropriate basis of measurement and management can reasonably estimate the amount.

Liabilities also include:

- all financial claims payable by the Foundation at the year end; and
- contingent liabilities where future liabilities are likely.

Non-Financial Assets

Non-financial assets are limited to tangible capital assets.

Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to the acquisition or construction of the asset.

The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Equipment	10 Years
Computer Hardware and Software	5 Years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Foundation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the Statement of Operations.

The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Externally restricted tangible capital assets are recognized in liabilities and amortized to revenue over their useful lives. Unless not reasonably determinable, contributed tangible capital assets are recorded at fair value.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Artworks and Collections

Works of art, historical treasures and collections are not recognized in these financial statements. Purchases of collection items are expensed in the period in which the items are acquired. Donations of collection items are reported as revenue and expensed at their fair value when fair value can be reasonably determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Measurement Uncertainty

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. The provision for doubtful accounts is recorded based on an assessment of collectability of accounts receivable. Amortization is based on the estimated useful lives of tangible capital assets.

(c) Change in Accounting Policy

Adoption of the Net Debt Presentation

The net debt presentation (with reclassification of comparatives) has been adopted for the presentation of financial statements. Net debt or net financial assets is measured as the difference between the Foundation's financial assets and liabilities.

The effect of this change results in changing the presentation of the Statement of Financial Position and adding the Statement of Change in Net Financial Assets.

Note 3 Future Accounting Changes

In June 2015 the Public Sector Accounting Board issued the following accounting standards:

- **PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions (effective April 1, 2017)**
  PS 2200 defines a related party and establishes disclosures required for related party transactions; PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. Management is currently assessing the impact of these standards on the financial statements.

Note 3 Future Accounting Changes (continued)

- **PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)**
  PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; PS 3380 defines and establishes disclosure standards on contractual rights. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**
  This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities. Management is currently assessing the impact of this standard on the financial statements.

PS 3450 Financial Instruments
In June 2011 the Public Sector Accounting Board issued this accounting standard effective April 1, 2019. The Foundation has not yet adopted this standard and has the option of adopting it in fiscal year 2019-20 or earlier. Adoption of this standard requires corresponding adoption of: PS 2601 Foreign Currency Translation; PS 1201 Financial Statement Presentation; and PS 3041 Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments. Management is currently assessing the impact of these standards on the financial statements.

Note 4 Cash and Cash Equivalents
(in thousands)

Cash and cash equivalents in the amount of $2,587 (2015 - $2,671) consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is administered by the Ministry of Treasury Board and Finance with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital.

The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2016, securities held by CCITF had a time-weighted return of 0.8% (2015 – 1.2%) per annum. Due to the short-term nature of these deposits, the carrying value approximates fair value.

Alberta Foundation for the Arts
Notes to the Financial Statements
March 31, 2016

Note 5 Accounts Receivable
(in thousands)

	2016			2015
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 4	$ -	$ 4	$ 4

Accounts receivable are unsecured and non-interest bearing.

Note 6 Tangible Capital Assets
(in thousands)

	2016			2015
	Equipment[1]	Computer Hardware and Software	Total	Total
Estimated Useful Life	10 years	5 years		
Historical Cost				
Beginning of Year	$ 310	$ 20	$ 330	$ 355
Additions	10	-	10	-
Disposals, including write-downs	-	(20)	(20)	(25)
	320	-	320	330
Accumulated Amortization				
Beginning of Year	220	20	240	238
Amortization Expense	28	-	28	27
Effect of disposals, including write-downs	-	(20)	(20)	(25)
	248	-	248	240
Net Book Value at March 31, 2016	$ 72	$ -	$ 72	
Net Book Value at March 31, 2015	$ 90	$ -		$ 90

[1] Equipment includes vehicles, office equipment and furniture, and other equipment.

Note 7 Contractual Obligations
(in thousands)

Contractual obligations are obligations of the Foundation to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2016	2015
Grants	$ 12,124	$ 15,564
Service Contracts	1,598	120
	$ 13,722	$ 15,684

Estimated payments requirements for each of the next two years are as follows:

	Grants	Service Contracts
2016-2017	$ 10,944	$ 843
2017-2018	1,180	755
	$ 12,124	$ 1,598

Note 8 Honoraria
(in thousands)

	2016	2015
Board[1][2]		
Chair	$ 5	$ 6
Vice Chair[3]	1	-
Other Members (Six)[4]	20	27
	$ 26	$ 33

(1) The Foundation has no employees. Staff of the Department of Culture and Tourism administer the Foundation.
(2) Members appointed to the Foundation are paid honoraria for attending Foundation meetings at rates set by ministerial order. They are also paid for sub-committee meetings, to attend out-of-town meetings and for attending to other Foundation duties. No benefits were provided to board members.
(3) This position was vacant during the 2014-15 fiscal year and until October 16, 2015.
(4) Number of other members as of March 31, 2016.

Note 9 Comparative Figures

Certain 2015 figures have been reclassified to conform to the 2016 presentation.

Note 10 Approval of Financial Statements

The financial statements were approved by the board of directors.

Alberta Foundation for the Arts
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual
Grants	$ 22,277	$ 22,779	$ 24,046
Supplies and Services from Support Service Arrangements with Related Parties[1]	2,214	2,214	2,214
Supplies and Services			
General	2,896	1,256	1,675
Acquisition of Artworks[2]	-	453	277
Donations of Artworks	-	469	307
Honoraria (Note 8)	-	26	33
Amortization of Tangible Capital Assets (Note 6)	28	28	27
	$ 27,415	$ 27,225	$ 28,579

(1) The Foundation receives financial and program related administrative services from the Department of Culture and Tourism.
(2) Includes commissioned artworks in progress.

Alberta Foundation for the Arts
Schedule to Financial Statements
Related Party Transactions
Year Ended March 31, 2016
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Foundation had the following transactions with related parties recorded in the Statement of Operations and in the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Revenues				
Transfers from the Department of Culture and Tourism	$ 26,650	$ 28,050	$ -	$ -
Expenses – Directly Incurred				
Grants	$ 86	$ 69	$ 987	$ 1,733
Other Services	-	-	59	61
	$ 86	$ 69	$ 1,046	$ 1,794
Payable to	$ -	$ 1	$ 22	$ 133
Contractual Obligations	$ -	$ -	$ 50	$ -

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Expenses – Incurred by Others				
Accommodation	$ -	$ -	$ 459	$ 459
Legal Services	-	-	2	-
	$ -	$ -	$ 461	$ 459

Schedule 3

Alberta Foundation for the Arts
Schedule to Financial Statements
Allocated Costs
Year Ended March 31, 2016
(in thousands)

	2016				2015
		Expenses – Incurred by Others			
Program	Expenses[1]	Accommodation[2]	Legal Services[3]	Total Expenses	Total Expenses
Support to Arts Organizations	$ 20,405	$ 95	$ -	$ 20,500	$ 21,492
Support to Individual Artists	3,647	95	-	3,742	4,036
Art Collection	2,258	139	1	2,398	2,205
Administration	915	130	1	1,046	1,305
	$ 27,225	$ 459	$ 2	$ 27,686	$ 29,038

(1) Expenses – Directly Incurred as per Statement of Operations.
(2) The Department of Infrastructure provided accommodations. Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 2, allocated by square footage.
(3) The Department of Justice and Solicitor General provided Legal Services. Costs shown for Legal Services on Schedule 5, allocated by estimated costs incurred by each program.

Schedule 4

Alberta Foundation for the Arts
Schedule to Financial Statements
Artworks and Collections (Unaudited)
Year Ended March 31, 2016
(in thousands)

The Foundation actively collects visual artworks, which document the province's significant visual artistic achievement. The collection is accessible to the public and consists of paintings, sculptures, drawings, photographs, ceramics, glass, fibre and prints.

At March 31, 2016, the collection consisted of 8,800 (2015 – 8,600) artworks. The Foundation has estimated the value at $14,690,482 (2015 – $13,820,982). During the year, the Foundation purchased 66 (2015 – 59) artworks at a cost of $387,595 (2015 –$285,000). There were 135 (2015 – 20) donations to the collection during the year. These donations were appraised at a value of $482,705 (2015 – $307,500). There was one artwork disposition during the year for $800 (2015 – Nil). The collection is insured.

The Alberta Historical Resources Foundation

Financial Statements

March 31, 2016

The Alberta Historical Resources Foundation
Financial Statements
March 31, 2016

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Change in Net Financial Assets

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Related Party Transactions

Schedule 3 – Allocated Costs

Schedule 4 – Artworks and Collections (Unaudited)

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Board of Directors of The Alberta Historical Resources Foundation and
the Minister of Culture and Tourism

Report on the Financial Statements

I have audited the accompanying financial statements of The Alberta Historical Resources Foundation, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of The Alberta Historical Resources Foundation as at March 31, 2016, and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

June 6, 2016

Edmonton, Alberta

The Alberta Historical Resources Foundation
Statement of Operations
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual
Revenues			
Government of Alberta Transfers			
Transfers from the Department of Culture and Tourism	$ 8,200	$ 8,200	$ 9,190
Investment Income	30	24	38
Other Revenue	6	-	-
	8,236	8,224	9,228
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Glenbow Museum	3,588	3,588	3,785
Heritage Preservation Partnership Programs	2,185	2,272	2,756
Support for Provincial Heritage Organizations	2,120	2,122	2,230
Municipal Heritage Programs	-	161	493
Heritage Markers Program	117	61	74
Administration	248	339	297
	8,258	8,543	9,635
Annual Operating Deficit	$ (22)	$ (319)	$ (407)
Accumulated Surplus, Beginning of Year		1,823	2,230
Accumulated Surplus, End of Year		$ 1,504	$ 1,823

The accompanying notes and schedules are part of these financial statements.

The Alberta Historical Resources Foundation
Statement of Financial Position
As at March 31, 2016
(in thousands)

	2016	2015
Financial Assets		
Cash and Cash Equivalents (Note 4)	$ 1,817	$ 2,250
Accounts Receivable	1	-
	1,818	2,250
Liabilities		
Accounts Payable and Accrued Liabilities	406	505
	406	505
Net Financial Assets	1,412	1,745
Non-Financial Assets		
Tangible Capital Assets (Note 5)	92	78
	92	78
Net Assets	$ 1,504	$ 1,823
Net Assets		
Accumulated Surplus (Note 6)	$ 1,504	$ 1,823

Contractual Obligations (Note 8)

The accompanying notes and schedules are part of these financial statements.

The Alberta Historical Resources Foundation
Statement of Change in Net Financial Assets
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual
Annual Operating Deficit	$ (22)	$ (319)	$ (407)
Acquisition of Tangible Capital Assets (Note 5)		(34)	(52)
Amortization of Tangible Capital Assets (Note 5)	22	20	19
(Decrease) in Net Financial Assets in the Year	$ -	$ (333)	$ (440)
Net Financial Assets, Beginning of Year		1,745	2,185
Net Financial Assets, End of Year		$ 1,412	$ 1,745

The accompanying notes and schedules are part of these financial statements.

The Alberta Historical Resources Foundation
Statement of Cash Flows
Year Ended March 31, 2016
(in thousands)

	2016	2015
Operating Transactions		
Annual Operating Deficit	$ (319)	$ (407)
Non-cash Items		
Amortization of Tangible Capital Assets	20	19
	(299)	(388)
(Increase) in Accounts Receivable	(1)	-
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(99)	405
Cash (Applied to) Provided by Operating Transactions	(399)	17
Capital Transactions		
Acquisition of Tangible Capital Assets (Note 5)	(34)	(52)
Cash (Applied to) Capital Transactions	(34)	(52)
(Decrease) in Cash and Cash Equivalents	(433)	(35)
Cash and Cash Equivalents at Beginning of Year	2,250	2,285
Cash and Cash Equivalents at End of Year	$ 1,817	$ 2,250

The accompanying notes and schedules are part of these financial statements.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
March 31, 2016

Note 1 Authority and Purpose

The Alberta Historical Resources Foundation (Foundation) operates under the authority of the *Historical Resources Act*, Chapter H-9, Revised Statutes of Alberta 2000.

The purpose of the Foundation is to assist in the preservation and interpretation of Alberta's heritage primarily through the encouragement and sponsorship of community heritage initiatives.

The Foundation is an agent of the Crown in right of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards (PSAS).

(a) Reporting Entity

The reporting entity is The Alberta Historical Resources Foundation, which is part of the Ministry of Culture and Tourism (Ministry) and for which the Minister of Culture and Tourism (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Government Transfers

Transfers from the Government of Alberta, other governments and other government entities are referred to as government transfers.

Government transfers and the associated externally restricted investment income are recorded as deferred revenue if the eligibility criteria for use of the transfer, or the stipulations together with the Foundation's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, the Foundation complies with its communicated use of the transfer.

All other government transfers, without stipulations for the use of the transfer, are recorded as revenue when the transfer is authorized and the Foundation meets the eligibility criteria (if any).

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenues (continued)

Donations and Non-Government Contributions

Donations and non-government contributions are received from individuals, corporations, and private sector not-for-profit organizations. Donations and non-government contributions may be unrestricted or externally restricted for operating or capital purposes.

Unrestricted donations and non-government contributions are recorded as revenue in the year received or in the year the funds are committed to the Foundation if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted donations, non-government contributions, and realized and unrealized gains and losses for the associated externally restricted investment income are recorded as deferred revenue if the terms for their use, or the terms along with the Foundation's actions and communications as to the use, create a liability. These resources are recognized as revenue as the terms are met and, when applicable, the Foundation complies with its communicated use.

In-kind donations of services and materials are recorded at fair value when such value can reasonably be determined. While volunteers contribute a significant amount of time each year to assist the Foundation, the value of their services is not recognized as revenue and expenses in the financial statements because fair value cannot be reasonably determined.

Investment Income

Investment income includes interest income earned on the Consolidated Cash Investment Trust Fund of the Province of Alberta accounts.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed. Transfers include entitlements, grants and transfers under shared cost agreements.

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the government's budget documents.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses (continued)

Directly Incurred (continued)

Grants and transfers are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

Incurred by Others

Services contributed by other entities in support of the Foundation's operations are not recognized and are disclosed in Schedule 2 and allocated to programs in Schedule 3.

Valuation of Financial Assets and Liabilities

The Foundation's financial assets and liabilities are generally measured as follows:

Financial Statement Component	Measurement
Cash and Cash Equivalents	Cost
Accounts Receivable	Lower cost or net recoverable value
Accounts Payable and Accrued Liabilities	Cost

Financial Assets

Financial assets are the Foundation's financial claims on external organizations and individuals.

Liabilities

Liabilities represent present obligations of the Foundation to external organizations and individuals arising from transactions or events occurring before the year end. They are recorded when there is an appropriate basis of measurement and management can reasonably estimate the amount.

Liabilities also include:

- all financial claims payable by the Foundation at the year end; and
- contingent liabilities where future liabilities are likely.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Non Financial Assets

Non-financial assets are limited to tangible capital assets.

Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to the acquisition or construction of the asset.

Work in progress is not amortized until after a project is complete (or substantially complete) and the asset is put into service.

The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Equipment	10 Years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Foundation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the Statement of Operations.

The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Externally restricted tangible capital assets are recognized in liabilities and amortized to revenue over their useful lives. Unless not reasonably determinable, contributed tangible capital assets are recorded at fair value.

Artworks and Collections

Works of art, historical treasures and collections are not recognized in these financial statements. Purchases of collection items are expensed in the period in which the items are acquired. Donations of collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Measurement Uncertainty

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Amortization is based on the estimated useful lives of tangible capital assets.

(c) Change in Accounting Policy

Adoption of the Net Debt Presentation

The net debt presentation (with reclassification of comparatives) has been adopted for the presentation of financial statements. Net financial asset or net debt is measured as the difference between the Foundation's financial assets and liabilities.

The effect of this change results in changing the presentation of the Statement of Financial Position and adding the Statement of Change in Net Financial Assets.

Note 3 Future Accounting Changes

In June 2015 the Public Sector Accounting Board issued the following accounting standards:

- **PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions (effective April 1, 2017)**
  PS 2200 defines a related party and establishes disclosures required for related party transactions; PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)**
  PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; PS 3380 defines and establishes disclosure standards on contractual rights. Management is currently assessing the impact of these standards on the financial statements.

Note 3 Future Accounting Changes (continued)

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**
  This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities. Management is currently assessing the impact of this standard on the financial statements.

PS 3450 Financial Instruments
In June 2011 the Public Sector Accounting Board issued this accounting standard effective April 1, 2019. The Foundation has not yet adopted this standard and has the option of adopting it in fiscal year 2019-20 or earlier. Adoption of this standard requires corresponding adoption of: PS 2601 Foreign Currency Translation; PS 1201 Financial Statement Presentation; and PS 3041 Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments. Management is currently assessing the impact of these standards on the financial statements.

Note 4 Cash and Cash Equivalents
(in thousands)

Cash and cash equivalents in the amount of $1,817 (2015 - $2,250) consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is administered by the Ministry of Treasury Board and Finance with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital.

The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2016, securities held by CCITF had a time-weighted return of 0.8% (2015 – 1.2%) per annum. Due to the short-term nature of these deposits, the carrying value approximates fair value.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
March 31, 2016

Note 5 Tangible Capital Assets
(in thousands)

	Equipment[1]	
	2016	2015
Estimated Useful Life – 10 years		
Historical Cost[2]		
Beginning of Year	$ 613	$ 561
Additions	34	52
	647	613
Accumulated Amortization		
Beginning of Year	535	516
Amortization Expense	20	19
	555	535
Net Book Value	$ 92	$ 78

(1) Equipment includes Heritage Markers.
(2) Historical cost includes equipment work-in-progress at March 31, 2016 totalling $33 (2015 – $52).

The Alberta Historical Resources Foundation
Notes to the Financial Statements
March 31, 2016

Note 6 Accumulated Surplus
(in thousands)

Accumulated Surplus is comprised of the following:

	Internally Restricted - Bob Etherington Heritage Trades Scholarship[1]	Internally Restricted - Peter Goertzen Fund[2]	Net Investment in Tangible Capital Assets	Unrestricted	Total
Balance, April 1, 2015	$ 15	$ 10	$ 78	$ 1,720	$ 1,823
Annual Operating Deficit	-	-	-	(319)	(319)
Acquisition of Tangible Capital Assets	-	-	34	-	34
Amortization of Tangible Capital Assets	-	-	(20)	-	(20)
Net Investment in Capital Assets	-	-	-	(14)	(14)
Balance, March 31, 2016	$ 15	$ 10	$ 92	$ 1,387	$ 1,504

(1) The Bob Etherington Heritage Trades Scholarship was designed to develop the heritage trades in Alberta by encouraging tradespersons to hone their technical skills and further their understanding of the challenges and complexities of heritage conservation work.

(2) The Peter Goertzen Fund is a gift from the estate of Peter Goertzen, a former board member of The Alberta Historical Resources Foundation. These funds have been internally restricted and will support special heritage projects approved by the Board.

Note 7 Honoraria
(in thousands)

	2016	2015
Board[1][2]		
Chair	$ 6	$ 6
Other Members (Ten)[3]	27	44
	$ 33	$ 50

(1) The Foundation has no employees. Staff of the Department of Culture and Tourism administer the Foundation.
(2) Members appointed to the Foundation are paid honoraria for attending Foundation meetings at rates set by ministerial order. They are also paid for sub-committee meetings, to attend out-of-town meetings and for attending to other Foundation duties. No benefits were provided to board members.
(3) Number of other members as of March 31, 2016

Note 8 Contractual Obligations
(in thousands)

Contractual obligations are obligations of the Foundation to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2016	2015
Grant Agreements	$ 2,651	$ 2,380
Service Contracts	7,176	7,552
	$ 9,827	$ 9,932

Estimated payment requirements for each of the next five years and thereafter are as follows:

	Grant Agreements	Service Contracts	Total
2016-17	$ 1,458	$ 3,588	$ 5,046
2017-18	711	3,588	4,299
2018-19	230	-	230
2019-20	202	-	202
2020-21	25	-	25
Thereafter	25	-	25
	$ 2,651	$ 7,176	$ 9,827

Note 9 Comparative Figures

Certain 2015 figures have been reclassified to conform to the 2016 presentation.

Note 10 Approval of Financial Statements

The financial statements were approved by the board of directors.

Schedule 1

The Alberta Historical Resources Foundation
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual
Grants	$ 3,926	$ 4,274	$ 4,875
Supplies and Services	3,746	3,652	3,952
Supplies and Services from Support Service Arrangements with Related Parties[1]	564	564	739
Amortization of Tangible Capital Assets (Note 5)	22	20	19
Honoraria (Note 7)	-	33	50
	$ 8,258	$ 8,543	$ 9,635

[1] The Foundation receives financial and program related administrative services from the Department of Culture and Tourism.

Schedule 2

The Alberta Historical Resources Foundation
Schedule to Financial Statements
Related Party Transactions
Year Ended March 31, 2016
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Foundation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Revenues				
Transfers from the Department of Culture and Tourism	$ 8,200	$ 9,190	$ -	$ -
Expenses – Directly Incurred				
Grants	$ 40	$ 40	$ 4	$ 305
Other Services	-	-	8	8
	$ 40	$ 40	$ 12	$ 313
Payable to	$ -	$ -	$ -	$ 23
Receivable from	$ -	$ -	$ 1	$ -
Contractual Obligations	$ -	$ -	$ 114	$ -

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

The Alberta Historical Resources Foundation
Schedule to Financial Statements
Related Party Transactions
Year Ended March 31, 2016
(in thousands)

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Expenses – Incurred by Others				
Other Services	$ 80	$ 77	$ -	$ -
Accommodation	-	-	21	21
Business Services	-	-	-	21
	$ 80	$ 77	$ 21	$ 42

Schedule 3

The Alberta Historical Resources Foundation
Schedule to Financial Statements
Allocated Costs
Year Ended March 31, 2016
(in thousands)

	2016				2015
		Expenses – Incurred by Others			
Program	Expenses[1]	Other Services[2]	Accommodation[3]	Total Expenses	Total Expenses
Glenbow Museum	$ 3,588	$ -	$ -	$ 3,588	$ 3,785
Heritage Preservation Partnership Programs	2,272	41	10	2,323	2,818
Support for Provincial Heritage Organizations	2,122	-	-	2,122	2,230
Municipal Heritage Programs	161	10	3	174	509
Heritage Markers Program	61	19	5	85	99
Administration	339	10	3	352	313
	$ 8,543	$ 80	$ 21	$ 8,644	$ 9,754

(1) Expenses – Directly Incurred as per Statement of Operations.
(2) The Department of Culture and Tourism provided financial and administrative services. Costs shown for Other Services on Schedule 2, allocated by estimated costs incurred by each program.
(3) The Department of Infrastructure provided accommodations. Costs shown for accommodations (includes grants in lieu of taxes) on Schedule 2, allocated by square footage.

Schedule 4

The Alberta Historical Resources Foundation
Schedule to Financial Statements
Artworks and Collections (Unaudited)
Year Ended March 31, 2016
(Unaudited)

The Foundation has a collection of historical assets which is comprised of paintings, sketches, photographs and antique furnishings. At March 31, 2016, the collection consisted of 374 (2015 – 374) artworks with an estimated value of $15,940 (2015 – $15,940) and 30 (2015 – 30) antique furnishings with an estimated value of $12,700 (2015 – $12,700). During the year, the Foundation did not acquire any historical assets (2015 – Nil). There were no artwork dispositions during the year (2015 – Nil). The collection is insured.

Alberta Sport Connection

Financial Statements

March 31, 2016

Alberta Sport Connection
Financial Statements
March 31, 2016

Independent Auditor's Report

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AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Board of Directors of Alberta Sport Connection and the Minister of Culture and Tourism

Report on the Financial Statements

I have audited the accompanying financial statements of Alberta Sport Connection, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Alberta Sport Connection as at March 31, 2016, and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

June 1, 2016

Edmonton, Alberta

Alberta Sport Connection
Statement of Operations
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual Restated (Note 2(c) and 4)
Revenues (Schedule 1)			
Government Transfers			
Government of Alberta Grants	$ 22,020	$ 22,106	$ 26,289
Federal and Other Government Grants	438	438	438
Investment Income	157	77	159
Premiums, Fees and Licences	340	323	252
Donations and Other Contributions	2,046	981	833
Other Revenue	20	38	156
	25,021	23,963	28,127
Expenses – Directly Incurred (Note 2(b), Schedules 2 and 5)			
Provincial Programs	18,283	17,037	18,023
Support to 2019 Canada Winter Games	3,000	3,000	6,100
Alberta and Interprovincial Games	2,300	2,440	2,884
High Performance Athlete Assistance	810	851	888
Parks and Wildlife Ventures	117	559	372
Other Initiatives	110	119	47
Provincial and Regional Development	69	60	166
Administration	344	326	342
	25,033	24,392	28,822
Annual Operating Deficit (Note 5)	$ (12)	$ (429)	$ (695)
Endowment Contributions (Note 10)		-	1
Annual Deficit		(429)	(694)
Accumulated Surplus, Beginning of Year		3,575	4,269
Non-Grant Transfers of Tangible Capital Assets to other Government Entities		(129)	-
Accumulated Surplus, End of Year		$ 3,017	$ 3,575

The accompanying notes and schedules are part of these financial statements.

Alberta Sport Connection
Statement of Financial Position
As at March 31, 2016
(in thousands)

	2016	2015
Financial Assets		
Cash and Cash Equivalents (Note 6)	$ 3,253	$ 9,187
Accounts Receivable (Note 7)	90	212
Inventories for Resale	24	19
	3,367	9,418
Liabilities		
Accounts Payable and Accrued Liabilities (Note 9)	989	6,966
Deferred Revenue (Note 8)	1,382	1,450
	2,371	8,416
Net Financial Assets	996	1,002
Non-Financial Assets		
Tangible Capital Assets (Schedule 6)	2,011	2,563
Prepaid Expenses	10	10
	2,021	2,573
Net Assets	$ 3,017	$ 3,575
Net Assets (Note 11)		
Accumulated Surplus at Beginning of Year	$ 3,575	$ 4,269
Non-Grant Transfers of Tangible Capital Assets to other Government Entities	(129)	-
Annual Deficit	(429)	(694)
Accumulated Surplus at End of Year	$ 3,017	$ 3,575

Contractual Obligations (Note 12)

The accompanying notes and schedules are part of these financial statements.

Alberta Sport Connection
Statement of Change in Net Financial Assets
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual
Annual Deficit	$ (12)	$ (429)	$ (694)
Acquisition of Tangible Capital Assets (Schedule 6)		(21)	-
Amortization of Tangible Capital Assets (Schedule 6)	12	12	12
Grants In Kind		432	258
Decrease in Net Financial Assets in the Year	$ -	$ (6)	$ (424)
Net Financial Assets, Beginning of Year		1,002	1,426
Net Financial Assets, End of Year		$ 996	$ 1,002

The accompanying notes and schedules are part of these financial statements.

Alberta Sport Connection
Statement of Cash Flows
Year Ended March 31, 2016
(in thousands)

	2016	2015
Operating Transactions		
Annual Deficit	$ (429)	$ (694)
Non-cash Items		
Grants in Kind	432	258
Amortization of Tangible Capital Assets (Schedule 6)	12	12
Deferred Revenue Recognized as Revenue (Note 8)	(83)	(41)
	(68)	(465)
Decrease (Increase) in Accounts Receivable	122	(40)
(Increase) in Inventories for Resale	(5)	(5)
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(5,977)	6,258
Deferred Revenue Received (Receivable) (Note 8)	15	33
Cash (Applied to) Provided by Operating Transactions	(5,913)	5,781
Capital Transactions		
Acquisition of Tangible Capital Assets (Schedule 6)	(21)	-
Cash (Applied to) Capital Transactions	(21)	-
(Decrease) Increase in Cash and Cash Equivalents	(5,934)	5,781
Cash and Cash Equivalents at Beginning of Year	9,187	3,406
Cash and Cash Equivalents at End of Year	$ 3,253	$ 9,187

The accompanying notes and schedules are part of these financial statements.

Alberta Sport Connection
Notes to the Financial Statements
March 31, 2016

Note 1 Authority and Purpose

The Alberta Sport Connection (Corporation) operates under the authority of the *Alberta Sport Connection Act*, Chapter A-34, Revised Statutes of Alberta 2000, as amended.

The objectives of the Corporation are:

- to develop and maintain sport programs, facilities and services; and
- to raise funds to be used in assisting the Corporation in the carrying out of its objects.

The Corporation is an agent of the Crown in right of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards (PSAS).

(a) Reporting Entity

The reporting entity is the Alberta Sport Connection, which is part of the Ministry of Culture and Tourism (Ministry) and for which the Minister of Culture and Tourism (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Government Transfers

Transfers from the Government of Alberta, other governments and other government entities are referred to as government transfers.

Government transfers and the associated externally restricted investment income are recorded as deferred revenue if the eligibility criteria for use of the transfer, or the stipulations together with the Corporation's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, the Corporation complies with its communicated use of the transfer.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenues (continued)

Government Transfers (continued)

All other government transfers, without stipulations for the use of the transfer, are recorded as revenue when the transfer is authorized and the Corporation meets the eligibility criteria (if any).

Donations and Non-Government Contributions

Donations and non-government contributions are received from individuals, corporations, and private sector not-for-profit organizations. Donations and non-government contributions may be unrestricted or externally restricted for operating or capital purposes.

Unrestricted donations and non-government contributions are recorded as revenue in the year received or in the year the funds are committed to the Corporation if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted donations, non-government contributions, and realized and unrealized gains and losses for the associated externally restricted investment income are recorded as deferred revenue if the terms for their use, or the terms along with the Corporation's actions and communications as to the use, create a liability. These resources are recognized as revenue as the terms are met and, when applicable, the Corporation complies with its communicated use.

In-kind donations of services and materials are recorded at fair value when such value can reasonably be determined. While volunteers contribute a significant amount of time each year to assist the Corporation, the value of their services is not recognized as revenue and expenses in the financial statements because fair value cannot be reasonably determined.

Investment Income

Investment income includes interest income earned on the Consolidated Cash Investment Trust Fund of the Province of Alberta accounts.

Investment income from externally restricted contributions and endowments is recognized as deferred revenue when the terms for use create a liability, and is recognized as investment income when the terms are met.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed. Transfers include entitlements, grants and transfers under shared cost agreements.

Directly Incurred

Directly incurred expenses are those costs the Corporation has primary responsibility and accountability for, as reflected in the government's budget documents.

Grants and transfers are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

Incurred by Others

Services contributed by other entities in support of the Corporation's operations are not recognized and are disclosed in Schedule 4 and allocated to programs in Schedule 5.

Valuation of Financial Assets and Liabilities

The Corporation's financial assets and liabilities are generally measured as follows:

Financial Statement Component	Measurement
Cash and Cash Equivalents	Cost
Accounts Receivable	Lower cost or net recoverable value
Inventories for Resale	Lower cost or net realizable value
Accounts Payable and Accrued Liabilities	Cost

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Financial Assets

Financial assets are the Corporation's financial claims on external organizations and individuals, and inventories for resale at the year end.

Accounts Receivable

Accounts receivable are recorded at the lower of cost or net recoverable value. A valuation allowance is recorded when recovery is uncertain.

Inventories for resale

Inventories for resale are valued at the lower of cost and net realizable value. Cost is determined on first in first out basis.

Liabilities

Liabilities represent present obligations of the Corporation to external organizations and individuals arising from transactions or events occurring before the year end. They are recorded when there is an appropriate basis of measurement and management can reasonably estimate the amount.

Liabilities also include:

- all financial claims payable by the Corporation at the year end;
- accrued employee vacation entitlements; and
- contingent liabilities where future liabilities are likely.

Non-Financial Assets

Non-financial assets are limited to tangible capital assets and prepaid expenses.

Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to the acquisition or construction of the asset.

Work in progress, which includes land improvements, is not amortized until after a project is complete (or substantially complete) and the asset is put into service.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Non-Financial Assets (continued)

Tangible Capital Assets (continued)

The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	40 Years
Equipment	10 Years
Land Improvements	40 Years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Corporation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the Statement of Operations.

The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized.

When physical assets (tangible capital assets and inventories) are gifted or sold for a nominal sum, the net book value of these physical assets less any nominal proceeds are recorded as grants in kind.

Externally restricted tangible capital assets are recognized in liabilities and amortized to revenue over their useful lives. Unless not reasonably determinable, contributed tangible capital assets are recorded at fair value.

Prepaid Expenses

Prepaid expenses are recorded at cost and amortized based on the terms of the agreement.

Artworks

Works of art are not recognized in these financial statements. Purchases of artworks are expensed in the period in which the items are acquired. Donations of artworks are reported as revenue and expensed at their fair value when fair value can be reasonably determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Net Assets/Net Liabilities

Endowments

Donations, government transfers, and non-government contributions that must be maintained in perpetuity are included in Financial Assets and Accumulated Surplus in the Statement of Financial Position. The endowment fund balance represents actual cash contributions over time and the balance is not adjusted to maintain the long term real purchasing power of the funds.

Measurement Uncertainty

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. The provision for doubtful accounts is recorded based on an assessment of collectability of accounts receivable. Amortization is based on the estimated useful lives of tangible capital assets.

(c) Change in Accounting Policy

Adoption of the Net Debt Presentation

The net debt presentation (with reclassification of comparatives) has been adopted for the presentation of financial statements. Net debt or net financial assets is measured as the difference between the Corporation's financial assets and liabilities.

The effect of this change results in changing the presentation of the Statement of Financial Position and adding the Statement of Change in Net Financial Assets.

Endowment Contributions

Effective April 1, 2015, endowment contributions are recognized in the Statement of Operations in the period in which they are received. In prior years, such transactions were recognized as direct increases to endowments, not through the Statement of Operations, in the period they were received. This change in accounting policy is applied retroactively with restatement of the comparatives.

Note 3 Future Accounting Changes

In June 2015 the Public Sector Accounting Board issued the following accounting standards:

- **PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions (effective April 1, 2017)**
  PS 2200 defines a related party and establishes disclosures required for related party transactions; PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)**
  PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; PS 3380 defines and establishes disclosure standards on contractual rights. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**
  This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities. Management is currently assessing the impact of this standard on the financial statements.

PS 3450 Financial Instruments
In June 2011 the Public Sector Accounting Board issued this accounting standard effective April 1, 2019. The Corporation has not yet adopted this standard and has the option of adopting it in fiscal year 2019-20 or earlier. Adoption of this standard requires corresponding adoption of: PS 2601 Foreign Currency Translation; PS 1201 Financial Statement Presentation; and PS 3041 Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments. Management is currently assessing the impact of these standards on the financial statements.

Note 4 Program Transfer
(in thousands)

Grants for Hosting Major Athletic Events and Event Support were transferred to the Corporation from the Department of Culture and Tourism. Comparatives for 2015 have been restated as if the Corporation had always been assigned with its current responsibilities. The effect was an increase in revenue of $1,295 from $26,832 to $28,127 and an increase in expenses by $1,295 from $27,527 to $28,822. As a result, there is no impact on the net assets of the Corporation.

Note 5 Annual Operating Deficit
(in thousands)

	2016	2015
Operations	$ 47	$ 70
Provision for Vacation Pay and Banked Overtime	(32)	(495)
Grants in Kind	(432)	(258)
Amortization of tangible capital assets	(12)	(12)
Total	$ (429)	$ (695)

Actual cash expenses incurred by the Corporation cannot exceed actual revenues recognized during the year except if authorized by the Minister of Culture and Tourism or by Treasury Board.

Note 6 Cash and Cash Equivalents
(in thousands)

Cash and cash equivalents consist of:

	2016	2015
Unrestricted Cash	$ 1,260	$ 7,232
Externally Restricted Cash[1]	1,182	1,206
Internally Restricted Cash[2]	368	306
	2,810	8,744
Endowments (Note 10)	443	443
Total	$ 3,253	$ 9,187

[1] To maintain the fixed assets for public use in a conservation setting.
[2] To support individuals and organizations on projects associated with a specific purpose as designated by the Board.

Note 6 Cash and Cash Equivalents (continued)

Cash and cash equivalents consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is administered by the Ministry of Treasury Board and Finance with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital.

The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2016, securities held by CCITF had a time-weighted return of 0.8% (2015 – 1.2%) per annum. Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 7 Accounts Receivable
(in thousands)

	2016			2015
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 90	$ -	$ 90	$ 212
	$ 90	$ -	$ 90	$ 212

Accounts receivable are unsecured and non-interest bearing.

Alberta Sport Connection
Notes to the Financial Statements
March 31, 2016

Note 8 Deferred Revenue

(in thousands)

	2016	2015
Unearned Revenue (a)	$ -	$ 30
Deferred Contributions (b)	1,382	1,420
	$ 1,382	$ 1,450

(a) Unearned Revenue
Represent amounts received in advance of providing goods or services.

	2016	2015
Balance, Beginning of Year	$ 30	$ -
Received/Receivable During Year	-	30
Less Amounts Recognized as Revenue	(30)	-
Balance, End of Year	$ -	$ 30

(b) Deferred Contributions
Represent externally restricted contributions received relating to expenses of future years.

	2016	2015
Balance, Beginning of Year	$ 1,420	$ 1,458
Received/Receivable During Year	15	3
Less Amounts Recognized as Revenue[1]	(53)	(41)
Balance, End of Year	$ 1,382	$ 1,420

[1] Amounts recognized in revenue include $10 (2015 - $10) to match amortization expenses on restricted tangible capital assets.

	2016	2015
Deferred Contributions		
Cash	$ 1,157	$ 1,206
Tangible Capital Assets	225	214
	$ 1,382	$ 1,420

Note 9 Accounts Payable and Accrued Liabilities

(in thousands)

	2016	2015
Trade Accounts Payable	$ 166	$ 243
Grant Liabilities	237	6,150
Other	586	573
	$ 989	$ 6,966

Note 10 Endowments

(in thousands)

The composition of endowments is as follows:

	2016	2015
Balance at Beginning of Year	$ 443	$ 442
Endowment Contributions	-	1
Balance at End of Year	$ 443	$ 443

Endowments consist of externally restricted donations received by the Corporation $238 (2015 - $238) and internal allocations by the Corporation's Board of Directors $205 (2015 - $205), the principal of which is required to be maintained intact in perpetuity. The economic value of the endowments is not protected.

Investment income earned on endowments is deferred and is recognized as revenue when used in accordance with the various purposes established by the donors.

The endowments were designed to help sport development in Alberta.

Alberta Sport Connection
Notes to the Financial Statements
March 31, 2016

Note 11 Accumulated Surplus
(in thousands)

Accumulated surplus is comprised of the following:

	Externally Restricted		Internally Restricted		Unrestricted		
	Net Investment in Tangible Capital Assets[2]	Endowments	Operating[1]	Net Investment in Land[2]	Operating	Net Investment in Tangible Capital Assets[2]	Total
Balance, April 1, 2015	$ 1,567	$ 443	$ 306	$ 399	$ 263	$ 597	$ 3,575
Annual Deficit - Operating	-	-	62	-	(68)	-	(6)
Acquisition of Tangible Capital Assets	21	-	-	-	-	-	21
Grants in Kind	(130)	-	-	(143)	-	(159)	(432)
Non-Grant Transfers of Tangible Capital Assets to other Government Entities (Schedule 4)	-	-	-	(129)	-	-	(129)
Amortization of Tangible Capital Assets	(10)	-	-	-	-	(2)	(12)
Balance, March 31, 2016	$ 1,448	$ 443	$ 368	$ 127	$ 195	$ 436	$ 3,017

(1) To support individuals and organizations on projects associated with a specific purpose as designated by the Board.
(2) Represents the fixed assets for public use in a conservation setting.

Note 12 Contractual Obligations
(in thousands)

Contractual obligations are obligations of the Corporation to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2016	2015
Grants	$ 2,485	$ 5,895
Service Contracts	258	256
	$ 2,743	$ 6,151

Estimated payment requirements for each of the next three years and thereafter are as follows:

	Grants	Service Contracts	Total
2016-17	$ 2,215	$ 205	$ 2,420
2017-18	220	53	273
2018-19	50	-	50
Thereafter	-	-	-
	$ 2,485	$ 258	$ 2,743

Note 13 Benefit Plans
(in thousands)

The Corporation participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $289 for the year ended March 31, 2016 (2015 – $277). The Corporation is not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2015, the Management Employees Pension Plan reported a surplus of $299,051 (2014 – surplus $75,805), the Public Service Pension Plan reported a deficiency of $133,188 (2014 – deficiency $803,299) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of $16,305 (2014 – deficiency $17,203).

The Corporation also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2016, the Bargaining Unit Plan reported an actuarial surplus of $83,006 (2015 – surplus $86,888) and the Management, Opted Out and Excluded Plan an actuarial surplus of $29,246 (2015 – surplus $32,343). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 14 Trust Fund

(in thousands)

The Corporation is the beneficiary of a trust fund that is administered by the Royal Trust Corporation of Canada over which the Corporation has no power of administration or appropriation. Because the Corporation has no equity in the fund and is only the beneficiary of the income portion of the fund, it is not included in the Corporation's financial statements.

As at March 31, 2016, the trust fund was as follows:

	2016	2015
Peaceful Valley Trust Fund [1]	$ 2,420	$ 2,500
Peaceful Valley (Income Collect Account) [2]	181	185
	$ 2,601	$ 2,685

[1] A portion of these funds are in US funds and their value has been converted to Canadian Dollars as of the date of the statement.

[2] Income generated from the trust funds are recognized at the time of withdrawal. Funds are restricted and to be used for the maintenance or expansion of Peaceful Valley.

Note 15 Comparative Figures

Certain 2015 figures have been reclassified to conform to the 2016 presentation.

Note 16 Approval of Financial Statements

The financial statements were approved by the board of directors.

Schedule 1

Alberta Sport Connection
Schedule to Financial Statements
Revenues
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual Restated (Note 4)
Government Transfers			
Government of Alberta Grants			
Department of Culture and Tourism	$ 22,020	$ 22,020	$ 26,220
Alberta Foundation for the Arts	-	86	69
	22,020	22,106	26,289
Federal and Other Government Grants	438	438	438
Investment Income	157	77	159
Premiums, Fees and Licences			
Alberta Games Registration Fees	240	240	236
Alberta's Future Leaders Fees	15	15	14
Conference Fees	50	45	-
Other	35	23	2
	340	323	252
Donations and Other Contributions			
Donations	1,050	804	701
Sponsorship	996	177	132
	2,046	981	833
Other Revenue	20	38	156
Total Revenues	$ 25,021	$ 23,963	$ 28,127

Schedule 2

Alberta Sport Connection
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual Restated (Note 4)
Salaries, Wages and Employee Benefits	$ 3,430	$ 3,173	$ 3,422
Supplies and Services	2,106	2,695	2,404
Supplies and Services from Support Service Arrangements with Related Parties [1]	144	144	150
Grants	19,341	18,368	22,834
Amortization of Tangible Capital Assets	12	12	12
	$ 25,033	$ 24,392	$ 28,822

[1] The Corporation receives financial and human resource services from the Department of Culture and Tourism.

Schedule 3

Alberta Sport Connection
Schedule to Financial Statements
Salary and Benefits Disclosure
Year Ended March 31, 2016
(in thousands)

	2016				2015
	Base Salary [1]	Other Cash Benefits [2]	Other Non-cash Benefits [3]	Total	Total
Chair of the Board of Directors [4]	$ -	$ 53	$ -	$ 53	$ 52
Members of the Board of Directors (Five) [4][5]	-	34	-	34	40
Chief Executive Officer [6]	162	46	7	215	194
Directors:					
Sport Development [7], [9]	88	16	27	131	129
High Performance Sport	109	-	31	140	136
Alberta Games and Marketing [7]	121	40	16	177	132
Business Development and Communications [6], [8]	94	15	7	116	63

[1] Base salary includes pensionable base pay.
[2] Other cash benefits include vacation payout, pay in lieu of benefits, honoraria for Board members and other lump sum payments. There were no bonuses paid in 2016.
[3] Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships, tuition fees and parking benefits.
[4] Members appointed to the Board are paid honoraria for attending Corporation meetings at rates set by order in council. They are also paid for sub-committee meetings, to attend out-of-town meetings and for attending to other Corporation duties.
[5] Members of the Board as of March 31, 2016
[6] The position receives an additional 16% of base pay in lieu of benefits.
[7] The position was occupied by two or more individuals at different times during the year.
[8] The position was created on September 2, 2014.
[9] The position was vacant from May 1 – June 7, 2015.

Alberta Sport Connection
Schedule to Financial Statements
Related Party Transactions
Year Ended March 31, 2016
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements.

The Corporation paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Corporation had the following transactions with related parties recorded in the Statement of Operations and in the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2016	2015 Restated (Note 4)	2016	2015
Revenues				
Grant - Department of Culture and Tourism	$ 22,020	$ 26,220	$ -	$ -
Grant - Alberta Foundation for the Arts	86	69	-	-
	$ 22,106	$ 26,289	$ -	$ -
Expenses – Directly Incurred				
Grants	$ -	$ -	$ 749	$ 678
Other Services	-	-	56	17
	$ -	$ -	$ 805	$ 695
Tangible Capital Assets Transferred Out				
Environment and Parks	$ -	$ -	$ (129)	$ -
Payable to	$ -	$ -	$ 94	$ 173
Receivable from	$ -	$ -	$ 15	$ 52

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

Alberta Sport Connection
Schedule to Financial Statements
Related Party Transactions
Year Ended March 31, 2016
(in thousands)

The Corporation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 5.

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Expenses – Incurred by Others				
Accommodation	$ -	$ -	$ 252	$ 185
Legal Services	-	-	24	11
Business Services	-	-	8	20
Other Services	101	42	-	-
	$ 101	$ 42	$ 284	$ 216

Schedule 5

Alberta Sport Connection
Schedule to Financial Statements
Allocated Costs
Year Ended March 31, 2016
(in thousands)

	2016						2015
		Expenses – Incurred by Others					
Program	Expenses[1]	Accommodation[2]	Legal Services[3]	Business Services[4]	Other Services[5]	Total Expenses	Total Expenses Restated (Note 4)
Provincial Programs	$ 17,037	$ 126	$ -	$ 6	$ -	$ 17,169	$ 18,131
Support to 2019 Canada Winter Games	3,000	8	-	-	-	3,008	6,106
Alberta and Interprovincial Games	2,440	87	-	1	-	2,528	2,951
High Performance Athlete Assistance	851	8	-	1	-	860	895
Parks and Wildlife Ventures	559	-	24	-	101	684	425
Other Initiatives	119	7	-	-	-	126	52
Provincial and Regional Development	60	8	-	-	-	68	172
Administration	326	8	-	-	-	334	348
	$ 24,392	$ 252	$ 24	$ 8	$ 101	$ 24,777	$ 29,080

[1] Expenses - Directly Incurred as per Statement of Operations.

[2] The Department of Infrastructure provided accommodations. Costs shown for Accommodation (includes grants in lieu of taxes) allocated by square footage.

[3] The Department of Justice and Solicitor General provided Legal Services. Costs shown for Legal Services, allocated by estimated costs incurred by each program.

[4] The Department of Treasury Board and Finance provided internal audit services.

[5] The Department of Culture and Tourism provided consulting services.

Schedule 6

Alberta Sport Connection
Schedule to Financial Statements
Tangible Capital Assets
Year Ended March 31, 2016
(in thousands)

	2016					2015
	Land	Buildings	Equipment	Land Improvements	Total	Total
Estimated Useful Life	Indefinite	40 years	10 years	40 years		
Historical Costs[1]						
Beginning of Year	$ 2,344	$ 275	$ 45	$ 40	$ 2,704	$ 2,962
Additions	-	-	-	21	21	-
Disposals	-	-	-	-	-	-
Divestitures	(432)	-	-	-	(432)	(258)
Non-Grant Transfers of Tangible Capital Assets to other Government Entities (Note 11)	(129)	-	-	-	(129)	-
	1,783	275	$ 45	61	2,164	2,704
Accumulated Amortization						
Beginning of Year	-	113	24	4	141	129
Amortization Expense	-	6	5	1	12	12
Effect of Disposals	-	-	-	-	-	-
	-	119	29	5	153	141
Net Book Value at March 31, 2016	$ 1,783	$ 156	$ 16	$ 56	$ 2,011	
Net Book Value at March 31, 2015	$ 2,344	$ 162	$ 21	$ 36		$ 2,563

[1] Historical cost includes land improvement work-in-progress at March 31, 2016 totalling $21 (2015 – Nil).

Alberta Sport Connection
Schedule to Financial Statements
Artworks
Year Ended March 31, 2016
(in thousands)
(Unaudited)

The Corporation has artwork consisting of 17 prints (2015 – 17 prints) of the Waterfowl North America Collection #1250 with an approximate value of $5.

The Government House Foundation

Financial Statements

March 31, 2016

The Government House Foundation
Financial Statements
March 31, 2016

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Change in Net Financial Assets

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Related Party Transactions

Schedule 3 – Allocated Costs

Schedule 4 – Artworks and Collections (Unaudited)

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Minister of Culture and Tourism

Report on the Financial Statements

I have audited the accompanying financial statements of The Government House Foundation, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of The Government House Foundation as at March 31, 2016, and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

June 6, 2016

Edmonton, Alberta

The Government House Foundation
Statement of Operations
Year Ended March 31, 2016

	2016		2015
	Budget	Actual	Actual
Revenues			
Government of Alberta Transfers			
Transfer from the Alberta Historical Resources Foundation	$ 40,000	$ 40,000	$ 40,000
Premiums, Fees and Licences	5,000	5,440	7,080
Investment Income	4,000	789	978
Sales and Donations	-	1,891	1,755
	49,000	48,120	49,813
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Public Relations	31,000	43,110	34,855
Administration	12,000	1,006	2,075
Collection Acquisitions	3,000	1,475	600
Conservation of Collections	3,000	-	278
	49,000	45,591	37,808
Annual Operating Surplus	$ -	$ 2,529	$ 12,005
Accumulated Surplus, Beginning of Year		81,813	69,808
Accumulated Surplus, End of Year		$ 84,342	$ 81,813

The accompanying notes and schedules are part of these financial statements.

The Government House Foundation
Statement of Financial Position
As at March 31, 2016

	2016	2015
Financial Assets		
Cash and Cash Equivalents (Note 5)	$ 84,653	$ 68,861
Accounts Receivable	42	1,755
Inventories for Resale	-	13,272
	84,695	83,888
Liabilities		
Accounts Payable and Accrued Liabilities	353	2,075
Net Financial Assets	84,342	81,813
Net Assets		
Accumulated Surplus	$ 84,342	$ 81,813

Contractual Obligations (Note 6)

The accompanying notes and schedules are part of these financial statements.

The Government House Foundation
Statement of Change in Net Financial Assets
Year Ended March 31, 2016

	2016		2015
	Budget	Actual	Actual
Annual Operating Surplus	$	$ 2,529	$ 12,005
Increase in Net Financial Assets in the Year	$	$ 2,529	$ 12,005
Net Financial Assets, Beginning of Year		81,813	69,808
Net Financial Assets, End of Year		$ 84,342	$ 81,813

The accompanying notes and schedules are part of these financial statements.

The Government House Foundation
Statement of Cash Flows
Year Ended March 31, 2016

	2016	2015
Operating Transactions		
Annual Operating Surplus	$ 2,529	$ 12,005
Non-cash Item		
Write-down of inventories	12,811	2,849
	15,340	14,854
Decrease (Increase) in Accounts Receivable	1,713	(1,721)
Decrease in Inventories for Resale	461	2,500
(Decrease) in Accounts Payable and Accrued Liabilities	(1,722)	(21,493)
Cash Provided by Operating Transactions	15,792	(5,860)
Cash and Cash Equivalents at Beginning of Year	68,861	74,721
Cash and Cash Equivalents at End of Year	$ 84,653	$ 68,861

The accompanying notes and schedules are part of these financial statements.

The Government House Foundation
Notes to the Financial Statements
March 31, 2016

Note 1 Authority and Purpose

The Government House Foundation (Foundation) operates under the authority of the *Government House Act*, Chapter G-9, Revised Statutes of Alberta 2000.

The purposes of the Foundation were:

- to advise the Minister on the preservation of Government House as a historic site and building;
- to inform and stimulate the interest of the public in the historical and architectural development of Government House; and
- to solicit and receive by gift, bequest, device, transfer or otherwise, any personal property for use or display in Government House.

The Foundation is an agent of the Crown in right of Alberta and as such has a tax exempt status.

Budget 2016 announced the dissolution of The Government House Foundation and the transfer of its activities and responsibilities to the Department of Culture and Tourism.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards (PSAS).

(a) Reporting Entity

The reporting entity is the Government House Foundation, which is part of the Ministry of Culture and Tourism (Ministry) and for which the Minister of Culture and Tourism (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenues (continued)

Government Transfers

Transfers from the Government of Alberta, other governments and other government entities are referred to as government transfers.

Government transfers and the associated externally restricted investment income are recorded as deferred revenue if the eligibility criteria for use of the transfer, or the stipulations together with the Foundation's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, the Foundation complies with its communicated use of the transfer.

All other government transfers, without stipulations for the use of the transfer, are recorded as revenue when the transfer is authorized and the Foundation meets the eligibility criteria (if any).

Donations and Non-Government Contributions

Donations and non-government contributions are received from individuals, corporations, and private sector not-for-profit organizations. Donations and non-government contributions may be unrestricted or externally restricted for operating or capital purposes.

Unrestricted donations and non-government contributions are recorded as revenue in the year received or in the year the funds are committed to the Foundation if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted donations, non-government contributions, and realized and unrealized gains and losses for the associated externally restricted investment income are recorded as deferred revenue if the terms for their use, or the terms along with the Foundation's actions and communications as to the use, create a liability. These resources are recognized as revenue as the terms are met and, when applicable, the Foundation complies with its communicated use.

In-kind donations of services and materials are recorded at fair value when such value can reasonably be determined. While volunteers contribute a significant amount of time each year to assist the Foundation, the value of their services is not recognized as revenue and expenses in the financial statements because fair value cannot be reasonably determined.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenues (continued)

Investment Income

Investment income includes interest income earned on the Consolidated Cash Investment Trust Fund of the Province of Alberta accounts.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed. Transfers include entitlements, grants and transfers under shared cost agreements.

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the government's budget documents.

Incurred by Others

Services contributed by other entities in support of the Foundation's operations are not recognized and are disclosed in Schedule 2 and allocated to programs in Schedule 3.

Valuation of Financial Assets and Liabilities

The Foundation's financial assets and liabilities are generally measured as follows:

Financial Statement Component	Measurement
Cash and Cash Equivalents	Cost
Accounts Receivable	Lower cost or net recoverable value
Inventories for Resale	Lower cost or net realizable value
Accounts Payable and Accrued Liabilities	Cost

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Financial Assets

Financial assets are the Foundation's financial claims on external organizations and individuals, and inventories for resale at the year end.

Accounts Receivable

Accounts receivable are recorded at the lower of cost or net recoverable value. A valuation allowance is recorded when recovery is uncertain.

Inventories for resale

Inventories for resale are valued at the lower of cost and net realizable value. Cost is determined on first in first out basis.

Liabilities

Liabilities represent present obligations of the Foundation to external organizations and individuals arising from transactions or events occurring before the year end. They are recorded when there is an appropriate basis of measurement and management can reasonable estimate the amount.

Liabilities also include:

- all financial claims payable by the Foundation at the year end; and
- contingent liabilities where future liabilities are likely.

Non Financial Assets

Artworks and Collections

Works of art, historical treasures and collections are not recognized in these financial statements. Purchases of collection items are expensed in the period in which the items are acquired. Donations of collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Measurement Uncertainty

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. The provision for doubtful accounts is recorded based on an assessment of collectability of accounts receivable.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Change in Accounting Policy

Adoption of the Net Debt Presentation

The net debt presentation (with reclassification of comparatives) has been adopted for the presentation of financial statements. Net debt or net financial assets is measured as the difference between the foundation's financial assets and liabilities.

The effect of this change results in changing the presentation of the Statement of Financial Position and adding the Statement of Change in Net Financial Assets.

Note 3 Future Accounting Changes

In June 2015 the Public Sector Accounting Board issued the following accounting standards:

- **PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions (effective April 1, 2017)**
  PS 2200 defines a related party and establishes disclosures required for related party transactions; PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)**
  PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; PS 3380 defines and establishes disclosure standards on contractual rights. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**
  This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities. Management is currently assessing the impact of this standard on the financial statements.

Note 3 Future Accounting Changes (continued)

PS 3450 Financial Instruments
In June 2011 the Public Sector Accounting Board issued this accounting standard effective April 1, 2019. The Foundation has not yet adopted this standard and has the option of adopting it in fiscal year 2019-20 or earlier. Adoption of this standard requires corresponding adoption of: PS 2601 Foreign Currency Translation; PS 1201 Financial Statement Presentation; and PS 3041 Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments. Management is currently assessing the impact of these standards on the financial statements.

Note 4 Subsequent Event

Budget 2016 annouced the dissolution of the Foundation. Assets (except cash), liabilities and obligations will be transferred to the Department of Culture and Tourism. Cash, in the amount of $84,342 will be transferred to the Alberta Historical Resources Foundation.

Note 5 Cash and Cash Equivalents

Cash and cash equivalents in the amount of $84,653 (2015 - $68,861) consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is administered by the Ministry of Treasury Board and Finance with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital.

The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2016, securities held by CCITF had a time-weighted return of 0.8% (2015 – 1.2%) per annum. Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 6 Contractual Obligations

Contractual obligations are obligations of the Foundation to others that will become liabilities in the future when the terms of those contracts or agreements are met. There are no contractual obligations at March 31, 2016 (2015 – Nil).

Note 7 Comparative Figures

Certain 2015 figures have been reclassified to conform to the 2016 presentation.

Note 8 Approvals of Financial Statements

The financial statements were approved by the senior financial officer and the deputy minister.

Schedule 1

The Government House Foundation
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year Ended March 31, 2016

	2016		2015
	Budget	Actual	Actual
Supplies and Services			
Contracted Services	$ 4,000	$ 855	$ 3,889
General Office	28,000	29,926	27,889
Materials and Supplies	16,000	1,538	680
Consumption of Inventories	-	461	2,500
Hosting	1,000	-	-
Other	-	12,811	2,850
	$ 49,000	$ 45,591	$ 37,808

The Government House Foundation
Schedule to Financial Statements
Related Party Transactions
Year Ended March 31, 2016

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Foundation had the following transactions with related parties recorded in the Statement of Operations and in the Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Revenues				
Transfers from the Alberta Historical Resources Foundation	$ 40,000	$ 40,000	$ -	$ -
Expenses – Directly Incurred				
Other Services	$ -	$ -	$ 1,005	$ 1,903
Receivable from	$ -	$ 1,755	$ 42	$ -
Payable to	$ -	$ -	$ 353	$ 2,075

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Expenses – Incurred by Others				
Other Services	$ 19,140	$ 19,140	$ -	$ -
Accommodation	-	-	3,000	3,000
	$ 19,140	$ 19,140	$ 3,000	$ 3,000

The Government House Foundation
Schedule to Financial Statements
Allocated Costs
Year Ended March 31, 2016

	2016				2015
		Expenses – Incurred by Others			
Program	Expenses[1]	Other Services[2]	Accommodation[3]	Total Expenses	Total Expenses
Public Relations	$ 43,110	$ 18,098	$ 2,837	$ 64,045	$ 55,322
Administration	1,006	422	66	1,494	3,395
Collection Acquisitions	1,475	620	97	2,192	953
Conservation of Collections	-	-	-	-	278
	$ 45,591	$ 19,140	$ 3,000	$ 67,731	$ 59,948

(1) Expenses – Directly Incurred as per Statement of Operations.
(2) The Department of Culture and Tourism provided financial and administrative services. Costs shown for Other Services on Schedule 2, allocated by estimated costs incurred by each program.
(3) The Department of Infrastructure provided accommodations. Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 2, allocated by square footage.

Schedule 4

The Government House Foundation
Schedule to Financial Statements
Artworks and Collections
Year Ended March 31, 2016
(Unaudited)

The Foundation actively collects various significant items pertaining to the history of Government House. The collection is accessible to the public and consists of paintings, drawings, prints, sculptures, furnishings, books and silverware. The majority of the collection is used or displayed in Government House, while some items are on loan to other provincial institutions.

At March 31, 2016, the collection consisted of 655 (2015– 650) pieces of artworks and other items, with an estimated value of $1,051,680 (2015 – $1,049,600). There were no purchases in 2016 (2015 – six) with an appraised value of nil (2015 – $600). During the year, the Foundation received five donations to the collection (2015 – Nil) with an appraised value of $1,575 (2015- Nil) and there were no dispositions during the year (2015 – Nil). The collection is insured.

Historic Resources Fund

Financial Statements

March 31, 2016

Historic Resources Fund
Financial Statements
March 31, 2016

Independent Auditor's Report

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Schedule 1 – Revenues

Schedule 2 – Expenses – Directly Incurred Detailed by Object

Schedule 3 – Related Party Transactions

Schedule 4 – Allocated Costs

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Minister of Culture and Tourism

Report on the Financial Statements

I have audited the accompanying financial statements of the Historic Resources Fund, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Historic Resources Fund as at March 31, 2016, and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

June 6, 2016

Edmonton, Alberta

Historic Resources Fund
Statement of Operations
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual
Revenues (Schedule 1)			
Jubilee Auditoria	$ 7,869	$ 7,293	$ 6,911
Interpretive Programs and Services	4,441	5,710	4,266
Promotion and Presentation	4,545	3,040	3,329
Other Initiatives	473	403	296
Provincial Archives	120	121	115
	17,448	16,567	14,917
Expenses – Directly Incurred (Note 2(b) and Schedules 2 and 4)			
Jubilee Auditoria	7,997	5,543	5,538
Interpretive Programs and Services	4,730	6,279	4,783
Promotion and Presentation	4,172	2,840	2,714
Other Initiatives	480	607	483
Provincial Archives	120	182	117
	17,499	15,451	13,635
Annual Operating Surplus	$ (51)	$ 1,116	$ 1,282
Accumulated Surplus, Beginning of Year		14,984	13,702
Accumulated Surplus, End of Year		$ 16,100	$ 14,984

The accompanying notes and schedules are part of these financial statements.

Historic Resources Fund
Statement of Financial Position
As at March 31, 2016
(in thousands)

	2016	2015
Financial Assets		
Cash and Cash Equivalents (Note 4)	$ 13,054	$ 11,872
Accounts Receivable (Note 5)	728	774
Inventories for Resale	484	722
	14,266	13,368
Liabilities		
Accounts Payable and Accrued Liabilities	1,938	1,482
Deferred Revenue (Note 7)	1,039	1,137
	2,977	2,619
Net Financial Assets	11,289	10,749
Non-Financial Assets		
Tangible Capital Assets (Note 6)	4,811	4,235
	4,811	4,235
Net Assets	$ 16,100	$ 14,984
Net Assets		
Accumulated Surplus (Note 8)	$ 16,100	$ 14,984

Contractual Obligations (Note 9)

The accompanying notes and schedules are part of these financial statements.

Historic Resources Fund
Statement of Changes in Net Financial Assets
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual
Annual Operating Surplus	$ (51)	$ 1,116	$ 1,282
Acquisition of Tangible Capital Assets (Note 6)	(665)	(1,280)	(1,405)
Amortization of Tangible Capital Assets (Note 6)	716	701	622
Loss on Disposal of Tangible Capital Assets		3	1
Proceeds on Sale or Transfer (Disposal) of Tangible Capital Assets		-	(24)
Increase in Net Financial Assets in the Year	$ -	$ 540	$ 476
Net Financial Assets, Beginning of Year		10,749	10,273
Net Financial Assets, End of Year		$ 11,289	$ 10,749

The accompanying notes and schedules are part of these financial statements.

Historic Resources Fund
Statement of Cash Flows
Year Ended March 31, 2016
(in thousands)

	2016	2015
Operating Transactions		
Annual Operating Surplus	$ 1,116	$ 1,282
Non-cash Items		
Amortization of Tangible Capital Assets (Note 6)	701	622
Loss on Disposal of Tangible Capital Assets	3	1
Deferred Revenue Recognized as Revenue (Note 7)	(694)	(978)
	1,126	927
Decrease in Accounts Receivable	46	17
Decrease (Increase) in Inventories for Resale	238	(9)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	456	(51)
Deferred Revenue Received (Receivable) (Note 7)	596	993
Cash Provided by Operating Transactions	2,462	1,877
Capital Transactions		
Acquisition of Tangible Capital Assets (Note 6)	(1,280)	(1,405)
Transfer from Department of Culture and Tourism	-	(24)
Cash (Applied to) Capital Transactions	(1,280)	(1,429)
Increase in Cash and Cash Equivalents	1,182	448
Cash and Cash Equivalents at Beginning of Year	11,872	11,424
Cash and Cash Equivalents at End of Year	$ 13,054	$ 11,872

The accompanying notes and schedules are part of these financial statements.

Historic Resources Fund
Notes to the Financial Statements
March 31, 2016

Note 1 Authority and Purpose

Historic Resources Fund (Fund) operates under the authority of the *Historical Resources Act*, Chapter H-9, Revised Statutes of Alberta 2000.

The purpose of the Fund is to protect, enhance, promote and display Alberta's historic resources by funding programs designated by the Lieutenant Governor in Council and by promoting the use and development of related facilities.

The Fund is an agent of the Crown in right of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards (PSAS).

(a) Reporting Entity

The reporting entity is the Historic Resources Fund, which is part of the Ministry of Culture and Tourism (Ministry) and for which the Minister of Culture and Tourism (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Government Transfers

Transfers from the Government of Alberta, other governments and other government entities are referred to as government transfers.

Government transfers and the associated externally restricted investment income are recorded as deferred revenue if the eligibility criteria for use of the transfer, or the stipulations together with the Fund's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, the Fund complies with its communicated use of the transfer.

All other government transfers, without stipulations for the use of the transfer, are recorded as revenue when the transfer is authorized and the Fund meets the eligibility criteria (if any).

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenues (continued)

Donations and Non-Government Contributions

Donations and non-government contributions are received from individuals, corporations, and private sector not-for-profit organizations. Donations and non-government contributions may be unrestricted or externally restricted for operating or capital purposes.

Unrestricted donations and non-government contributions are recorded as revenue in the year received or in the year the funds are committed to the Fund if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted donations, non-government contributions, and realized and unrealized gains and losses for the associated externally restricted investment income are recorded as deferred revenue if the terms for their use, or the terms along with the Fund's actions and communications as to the use, create a liability. These resources are recognized as revenue as the terms are met and, when applicable, the Fund complies with its communicated use.

In-kind donations of services and materials are recorded at fair value when such value can reasonably be determined. While volunteers contribute a significant amount of time each year to assist the Fund, the value of their services is not recognized as revenue and expenses in the financial statements because fair value cannot be reasonably determined.

Investment Income

Investment income includes interest income earned on the Consolidated Cash Investment Trust Fund of the Province of Alberta accounts.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed. Transfers include entitlements, grants and transfers under shared cost agreements.

Directly Incurred

Directly incurred expenses are those costs the Fund has primary responsibility and accountability for, as reflected in the government's budget documents.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses (continued)

Incurred by Others

Services contributed by other entities in support of the Fund's operations are not recognized and are disclosed in Schedule 3 and allocated to programs in Schedule 4.

Valuation of Financial Assets and Liabilities

The Fund's financial assets and liabilities are generally measured as follows:

Financial Statement Component	Measurement
Cash and Cash Equivalents	Cost
Accounts Receivable	Lower cost or net recoverable value
Inventories for Resale	Lower cost or net realizable value
Accounts Payable and Accrued Liabilities	Cost

Financial Assets

Financial assets are the Fund's financial claims on external organizations and individuals, and inventories for resale at the year end.

Accounts Receivable

Accounts receivable are recorded at the lower of cost or net recoverable value. A valuation allowance is recorded when recovery is uncertain.

Inventories for resale

Inventories for resale are valued at the lower of cost and net realizable value. Cost is determined on first in first out basis.

Liabilities

Liabilities represent present obligations of the Fund's to external organizations and individuals arising from transactions or events occurring before the year end. They are recorded when there is an appropriate basis of measurement and management can reasonably estimate the amount.

Liabilities also include:

- all financial claims payable by the Fund at the year end; and
- contingent liabilities where future liabilities are likely.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Non Financial Assets

Non-financial assets are limited to tangible capital assets.

Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to the acquisition or construction of the asset.

Work in progress, which includes exhibit development and equipment, is not amortized until after a project is complete (or substantially complete) and the asset is put into service.

The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Equipment	3 - 20 Years
Computer Hardware and Software	5 Years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Fund's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the Statement of Operations.

The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Externally restricted tangible capital assets are recognized in liabilities and amortized to revenue over their useful lives. Unless not reasonably determinable, contributed tangible capital assets are recorded at fair value.

Measurement Uncertainty

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. The provision for doubtful accounts is recorded based on an assessment of collectability of accounts receivable. Amortization is based on the estimated useful lives of tangible capital assets.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Change in Accounting Policy

Adoption of the Net Debt Presentation

The net debt presentation (with reclassification of comparatives) has been adopted for the presentation of financial statements. Net debt or net financial assets is measured as the difference between the fund's financial assets and liabilities.

The effect of this change results in changing the presentation of the Statement of Financial Position and adding the Statement of Changes in Net Financial Assets.

Note 3 Future Accounting Changes

In June 2015 the Public Sector Accounting Board issued the following accounting standards:

- **PS2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions (effective April 1, 2017)**
  PS 2200 defines a related party and establishes disclosures required for related party transactions; PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)**
  PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; PS 3380 defines and establishes disclosure standards on contractual rights. Management is currently assessing the impact of these standards on the financial statements.

- **PS3430 Restructuring Transactions (effective April 1, 2018)**
  This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities. Management is currently assessing the impact of this standard on the financial statements.

Note 3 Future Accounting Changes (continued)

PS 3450 Financial Instruments
In June 2011 the Public Sector Accounting Board issued this accounting standard effective April 1, 2019. The Fund has not yet adopted this standard and has the option of adopting it in fiscal year 2019-20 or earlier. Adoption of this standard requires corresponding adoption of: PS 2601 Foreign Currency Translation; PS 1201 Financial Statement Presentation; and PS 3041 Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments. Management is currently assessing the impact of these standards on the financial statements.

Note 4 Cash and Cash Equivalents
(in thousands)

Cash and cash equivalents consist of:

	2016	2015
Unrestricted Cash	$ 697	$ 1,485
Externally Restricted Cash	695	703
Internally Restricted Cash	11,662	9,684
Total	$ 13,054	$ 11,872

Cash and cash equivalents consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is administered by the Ministry of Treasury Board and Finance with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital.

The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2016, securities held by CCITF had a time-weighted return of 0.8% (2015 – 1.2%) per annum. Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 5 Accounts Receivable
(in thousands)

	2016			2015
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 606	$ (5)	$ 601	$ 670
Refunds from Suppliers	127	-	127	104
	$ 733	$ (5)	$ 728	$ 774

Accounts receivable are unsecured and non-interest bearing.

Historic Resources Fund
Notes to the Financial Statements
March 31, 2016

Note 6 Tangible Capital Assets
(in thousands)

	2016			2015
	Equipment	Computer Hardware and Software	Total	Total
Estimated Useful Life	3 - 20 years	5 years		
Historical Cost[1]				
Beginning of Year	$ 11,009	$ 287	$ 11,296	$ 10,477
Additions	1,280	-	1,280	1,405
Transfers from Department of Culture and Tourism	-	-	-	24
Disposals, Including Write-Downs	-	(18)	(18)	(610)
	12,289	269	12,558	11,296
Accumulated Amortization				
Beginning of Year	6,829	232	7,061	7,048
Amortization Expense	685	16	701	622
Transfers from Department of Culture and Tourism	-	-	-	-
Effect of Disposals, Including Write-Downs	-	(15)	(15)	(609)
	7,514	233	7,747	7,061
Net Book Value at March 31, 2016	$ 4,775	$ 36	$ 4,811	
Net Book Value at March 31, 2015	$ 4,180	$ 55		$ 4,235

[1] Historical cost includes equipment work-in-progress at March 31, 2016 totalling $518 (2015 – $390).

Note 7 Deferred Revenue

(in thousands)

	2016	2015
Unearned Revenue (a)	$ 343	$ 434
Deferred Contributions (b)	696	703
	$ 1,039	$ 1,137

(a) Unearned Revenue

Represent amounts received in advance of providing goods or services.

	2016	2015
Balance, Beginning of Year	$ 434	$ 367
Received/Receivable During Year	497	836
Less Amounts Recognized as Revenue	(588)	(769)
Balance, End of Year	$ 343	$ 434

(b) Deferred Contributions

Represent externally restricted contributions received relating to expenses of future years.

	2016	2015
Balance, Beginning of Year	$ 703	$ 755
Received/Receivable During Year	99	157
Less Amounts Recognized as Revenue	(106)	(209)
Balance, End of Year	$ 696	$ 703

Historic Resources Fund
Notes to the Financial Statements
March 31, 2016

Note 8 Accumulated Surplus
(in thousands)

Accumulated surplus is comprised of the following:

	Internally Restricted - Glenbow Alberta Institute[1]	Internally Restricted - Jubilee Auditoria[2]	Net Investment in Tangible Capital Assets Internally Restricted - Jubilee Auditoria	Net Investment in Tangible Capital Assets Unrestricted	Unrestricted	Total
Balance, April 1, 2015	$ 248	$ 8,564	$ 3,735	$ 500	$ 1,937	$ 14,984
Annual Operating Surplus (Deficit)	(76)	1,750	-	-	(558)	1,116
Acquisition of Tangible Capital Assets	-	-	1,202	78	-	1,280
Loss on Disposal	-	-	-	(3)	-	(3)
Amortization of Tangible Capital Assets	-	-	(599)	(102)	-	(701)
Net Investment in Capital Assets	-	(603)	-	-	27	(576)
Balance, March 31, 2016	$ 172	$ 9,711	$ 4,338	$ 473	$ 1,406	$ 16,100

(1) The purpose of the fund is to acquire new provincial historical artifacts from the proceeds of the disposition of deaccessioned provincial collections displayed at the Glenbow-Alberta Institute.

(2) Accumulated surpluses arising from the operation of the Jubilee Auditoria may only be used for the payment of expenses related to the Jubilee Auditoria.

Note 9 Contractual Obligations

(in thousands)

Contractual obligations are obligations of the Fund to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2016	2015
Service Contracts	$ 6,882	$ 5,061

Estimated payment requirements for each of the next five years and thereafter are as follows:

	Service Contracts
2016-17	$ 6,785
2017-18	78
2018-19	17
2019-20	1
2020-21	1
Thereafter	-
	$ 6,882

Note 10 Comparative Figures

Certain 2015 figures have been reclassified to conform to the 2016 presentation.

Note 11 Approval of Financial Statements

The financial statements were approved by the senior financial officer and the deputy minister.

Schedule 1

Historic Resources Fund
Schedule to Financial Statements
Revenues
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual
Federal Government Transfers	$ -	$ 200	$ -
Government of Alberta Transfers			
Transfers from Travel Alberta Corporation	-	116	64
Investment Income	126	105	134
Premiums, Fees and Licences			
Admission Fees	4,753	5,736	4,373
Lands and Grazing	-	24	24
	4,753	5,760	4,397
Other Revenue			
Sales	4,441	4,785	4,781
Rental Revenue	4,895	4,095	3,860
Recoveries	2,915	1,273	1,253
Other Grants and Contributions	-	117	250
Donations	292	35	40
Prior Years Refunds of Expenses	26	17	122
Other Miscellaneous Revenue	-	64	16
	12,569	10,386	10,322
Total Revenues	$ 17,448	$ 16,567	$ 14,917

Schedule 2

Historic Resources Fund
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual
Contracted Services	$ 8,099	$ 7,670	$ 7,469
Supplies and Services from Support Service Arrangements with Related Parties[1][2]	3,007	3,379	2,484
Materials and Supplies	4,571	2,207	1,726
Consumption of Inventories	650	565	590
Amortization of Tangible Capital Assets	716	701	622
General Office	354	734	581
Travel	98	77	81
Financial Transactions and Other	-	108	74
Hosting	4	10	8
	$ 17,499	$ 15,451	$ 13,635

(1) The Fund receives financial and administrative services from the Department of Culture and Tourism.
(2) The Fund receives administrative services from the Department of Environment and Sustainable Resource Development.

Historic Resources Fund
Schedule to Financial Statements
Related Party Transactions
Year Ended March 31, 2016
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements.

The Fund paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Fund had the following transactions with related parties recorded in the Statement of Operations and in the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Revenues				
Transfers from Travel Alberta Corporation	$ 116	$ 64	$ -	$ -
Other Revenue	-	-	8	38
	$ 116	$ 64	$ 8	$ 38
Expenses – Directly Incurred				
Other services	$ -	$ -	$ 460	$ 397
Tangible Capital Assets Transferred In (Out)	$ -	$ 24	$ -	$ -
Receivable from	$ 10	$ -	$ -	$ -
Payable to	$ 544	$ 210	$ 434	$ 583
Contractual Obligations	$ -	$ -	$ 131	$ 286

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

Historic Resources Fund
Schedule to Financial Statements
Related Party Transactions
Year Ended March 31, 2016
(in thousands)

The Fund also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Expenses – Incurred by Others				
Other Services	$ 446	$ 418	$ -	$ -
Accommodation	-	-	194	194
	$ 446	$ 418	$ 194	$ 194

Schedule 4

Historic Resources Fund
Schedule to Financial Statements
Allocated Costs
Year Ended March 31, 2016
(in thousands)

	2016				2015
		Expenses – Incurred by Others			
Program	Expenses[1]	Other Services[2]	Accommodation[3]	Total Expenses	Total Expenses
Jubilee Auditoria	$ 5,543	$ -	$ 70	$ 5,613	$ 5,617
Interpretive Programs and Services	6,279	282	79	6,640	5,098
Promotion and Presentation	2,840	128	35	3,003	2,892
Other Initiatives	607	27	8	642	515
Provincial Archives	182	8	2	192	125
	$ 15,451	$ 445	$ 194	$ 16,090	$ 14,247

(1) Expenses – Directly Incurred as per Statement of Operations.
(2) The Department of Culture and Tourism provided financial and administrative services. Costs shown for Other Services on Schedule 3, allocated by estimated costs incurred by each program.
(3) The Department of Infrastructure provided accommodations. Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 3, allocated by square footage.

Travel Alberta

Financial Statements

Year ended March 31, 2016

Travel Alberta
Financial Statements
March 31, 2016

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Change in Net Financial Assets

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Salaries and Benefits Disclosure

Schedule 3 – Related Party Transactions

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Board of Directors of Travel Alberta and the Minister of Culture and Tourism

Report on the Financial Statements

I have audited the accompanying financial statements of Travel Alberta, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Travel Alberta as at March 31, 2016, and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

May 12, 2016

Edmonton, Alberta

Travel Alberta
Statement of Operations
Year Ended March 31
(in thousands)

	2016		2015
	Budget	Actual	Actual
Revenues			
Government of Alberta Transfer	$ 54,450	$ 54,450	$ 56,264
Investment Income	280	406	584
Premiums, Fees and Licences	430	265	257
Sponsorship	-	145	156
Revenue from Partners	1,295	1,254	964
	56,455	56,520	58,225
Expenses – Directly Incurred (Note 2(b) and Schedules 1)			
Global Marketing	40,196	39,239	41,287
Regional Industry Marketing	10,388	10,174	9,928
Corporate Operations	5,925	6,575	5,288
	56,509	55,988	56,503
Annual Operating (Deficit) Surplus	$ (54)	$ 532	$ 1,722
Accumulated Operating Surplus, Beginning of Year		7,546	5,824
Accumulated Operating Surplus, End of Year		$ 8,078	$ 7,546

The accompanying notes and schedules are part of these financial statements.

Travel Alberta
Statement of Financial Position
As at March 31
(in thousands)

	2016	2015
Financial Assets		
Cash and Cash Equivalents (Note 5)	$ 15,829	$ 13,620
Accounts Receivable (Note 6)	165	178
	$ 15,994	$ 13,798
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	8,134	6,623
	8,134	6,623
Net Financial Assets	7,860	7,175
Non-Financial Assets		
Tangible Capital Assets (Note 7)	$ 187	$ 241
Prepaid Expenses (Note 6)	31	130
	218	371
Net Assets	8,078	$ 7,546
Net Assets		
Accumulated Operating Surplus (Note 9)	8,078	$ 7,546

Contractual obligations (Note 10)

The accompanying notes and schedules are part of these financial statements.

Travel Alberta
Statement of Change in Net Financial Assets
Year Ended March 31
(in thousands)

	2016		2015
	Budget	Actual	Actual
Annual Operating (Deficit) Surplus	$ (54)	$ 532	$ 1,722
Amortization of Tangible Capital Assets (Note 7)	54	54	79
Change in Prepaid Expenses		99	108
Increase in Net Financial Assets in the Year	$ -	$ 685	$ 1,909
Net Financial Assets, Beginning of Year		7,175	5,266
Net Financial Assets, End of Year		$ 7,860	$ 7,175

The accompanying notes and schedules are part of these financial statements.

Travel Alberta
Statement of Cash Flows
Year Ended March 31
(in thousands)

	2016	2015
Operating Transactions		
Annual Operating Surplus	$ 532	$ 1,722
Non-cash Items		
Amortization of Tangible Capital Assets	54	79
	586	1,801
Decrease in Accounts Receivable	13	18
Decrease in Prepaid Expenses	99	108
Increase in Accounts Payable and Accrued Liabilities	1,511	2,258
Cash Provided by Operating Transactions	2,209	4,185
Increase in Cash and Cash Equivalents	2,209	4,185
Cash and Cash Equivalents at Beginning of Year	13,620	9,435
Cash and Cash Equivalents at End of Year	$ 15,829	$ 13,620

The accompanying notes and schedules are part of these financial statements.

Travel Alberta
Notes to the Financial Statements
March 31, 2016

Note 1 Authority and Purpose

Travel Alberta (the "Corporation") operates under the authority of the *Travel Alberta Act*, Chapter T- 6.5, Statutes of Alberta 2008.

The purpose of the Corporation is to:

- market tourism assets, attractions and opportunities present in Alberta, in domestic, national and international markets,
- promote Alberta as a destination for tourists and other visitors,
- assist Alberta's tourism industry operators to market their products, and
- exercise or perform any other powers, duties and functions as may be regulated from time to time by the Lieutenant Governor in Council.

The Corporation is an agent of the Crown in right of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards (PSAS).

(a) Reporting Entity

The reporting entity is Travel Alberta, which is part of the Ministry of Culture and Tourism (Ministry) and for which the Minister of Culture and Tourism is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenue

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Revenue from Partners is received or receivable for specific marketing projects. The revenue is recognized as the projects take place.

Government Transfers

Transfers from the Government of Alberta, other governments and other government entities are referred to as government transfers.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Government transfers are recorded as deferred revenue if the terms for use of the transfer, or the terms along with the Corporation's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the terms are met and, when applicable, the Corporation complies with its communicated use of the transfer.

All other government transfers, without stipulations for use of the transfer, are recorded as revenue when the Corporation is eligible to receive the funds.

Investment Income

Investment income includes interest income and is recognized as revenue as earned.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed.

Grants are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient, and a reasonable estimate of the amount can be made.

Valuation of Financial Assets and Liabilities

The corporation's financial assets and liabilities are generally measured as follows:

Financial Statement Component	Measurement
Cash and Cash Equivalents	Cost
Accounts Receivable	Lower of cost or net recoverable value
Accounts Payable and Accrued Liabilities	Cost

The carrying value of these financial assets and liabilities approximates their fair value.

Financial Assets

Financial assets are the Corporation's financial claims on external organizations and individuals.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Cash and Cash Equivalents

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Cash equivalents are held for the purpose of meeting short-term commitments rather than for investment purposes.

Accounts Receivable

Accounts receivable are recorded at the lower of cost or net recoverable value. A valuation allowance is recorded when recovery is uncertain.

Liabilities

Liabilities represent present obligations of the Corporation to external organizations and individuals arising from transactions or events occurring before the year end. They are recorded when there is an appropriate basis of measurement and management can reasonably estimate the amount.

Liabilities also include contingent liabilities where future liabilities are likely.

Non-Financial Assets

Non-financial assets are limited to tangible capital assets and prepaid expenses.

Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets.

The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

Computer Hardware and Software	3 Years
Leasehold Improvements	10 and 5 Years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Corporation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the Statement of Operations.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

The threshold for capitalizing new systems development and major system enhancements is $100,000. The threshold for all other tangible capital assets is $10,000.

Prepaid Expenses

Prepaid expenses are recorded at cost and amortized based on the terms of the agreement.

Funds and Reserves

Certain amounts, as approved by the Corporation's Board of Directors, are set aside in accumulated surplus for future operating purposes. Transfers to/from funds and reserves are an adjustment to the respective fund when approved.

Measurement Uncertainty

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. The provision for doubtful accounts is recorded based on an assessment of collectability of accounts receivable. Amortization is based on the estimated useful lives of tangible capital assets. Accrued Liabilities are based on management estimates of expenses incurred but not invoiced to the Corporation at March 31, 2016.

(c) Change in Accounting Policy

Adoption of the Net Debt Presentation

The net debt presentation (with reclassification of comparatives) has been adopted for the presentation of financial statements. Net debt or net financial asset is measured as the difference between the Corporation's financial assets and liabilities.

The effect of this change results in changing the presentation of the Statement of Financial Position and adding the Statement of Change in Net Financial Asset.

Note 3 Future Accounting Changes

In June 2015 the Public Sector Accounting Board issued the following accounting standards.

- **PS2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions (effective April 1, 2017)**
  PS 2200 defines a related party and establishes disclosures required for related party transactions; PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)**
  PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; PS 3380 defines and establishes disclosure standards on contractual rights. Management is currently assessing the impact of these standards on the financial statements.

- **PS3430 Restructuring Transactions (effective April 1, 2018)**
  This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities. Management is currently assessing the impact of theses standards on the financial statements.

Note 4 Budget

(in thousands)

A preliminary business plan with a budgeted deficit of $54 was approved by the Board on May 20, 2015 and the full financial plan was submitted to the Minister of Culture and Tourism. The budget reported in the statement of operations reflects the original $54 deficit and additional reclassifications required for more consistent presentation with current and prior year results.

Note 5 Cash and Cash Equivalents

(in thousands)

	2016	2015
Consolidated Cash Investment Trust Fund Cash	$ 23	$ 17
Cash and Cash Equivalents	15,806	13,603
Total	$ 15,829	$ 13,620

Cash and Cash Equivalents consists of funds in operating accounts, a GIC investment account and deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. For the year ended March 31, 2016, securities held by the CCITF had a time-weighted return of 0.8% per annum (2015 – 1.2% per annum).

Note 6 Accounts Receivable and Prepaid Expenses

(in thousands)

	2016			2015
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 165	$ -	$ 165	$ 178
Prepaid Expenses	31	-	31	130
	$ 196	$ -	$ 196	$ 308

Accounts receivable are unsecured and non-interest bearing.

Note 7 Tangible Capital Assets
(in thousands)

	Computer Hardware and Software	Leasehold Improvements	2016 Total	2015 Total
Estimated Useful Life	3 years	10 & 5 years		
Historical Cost				
Beginning of Year	$ 319	$ 456	$ 775	$ 775
Additions	-	-	-	-
Disposals, Including Write-Downs	-	-	-	-
	319	456	775	775
Accumulated Amortization				
Beginning of Year	316	218	534	455
Amortization Expense	3	51	54	79
Effect of Disposals, Including Write-Downs	-	-	-	-
	319	269	588	534
Net Book Value at March 31, 2016	$ -	$ 187	$ 187	
Net Book Value at March 31, 2015	$ 3	$ 238		$ 241

Note 8 Accounts Payable and Accrued Liabilities

(in thousands)

	2016	2015
Trade Accounts Payable	$ 3,411	$ 3,321
Accruals and Other Liabilities	4,723	3,302
	$ 8,134	$ 6,623

Note 9 Accumulated Operating Surplus

(in thousands)

	Investment in Tangible Capital Assets	Sustainability Fund[1]	Unrestricted	Total
Balance, April 1, 2015	$ 241	$ 7,305	$ -	$ 7,546
Annual Operating Surplus (Deficit)	-	532	-	532
Net Investment in Capital Assets	(54)	54	-	-
Balance, March 31, 2016	$ 187	$ 7,891	$ -	$ 8,078

[1] The internally restricted Sustainability Fund, approved by the Board of Directors, allows sustainability of programs in future years when declines in funding would otherwise have required reductions in the program spending.

Note 10 Contractual Obligations
(in thousands)

Contractual obligations are obligations of the Corporation to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2016	2015
Operating Leases	$ 4,411	$ 5,660
Service Contracts	31,720	38,799
	$ 36,131	$ 44,459

Estimated payment requirements for each of the next five years and thereafter are as follows:

	Total
2016-17	$ 26,332
2017-18	6,040
2018-19	2,843
2019-20	916
2020-21	-
Thereafter	-
	$ 36,131

Note 11 Benefit Plans

The Corporation participates in the following multi-employer pension plans: the Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $1,335 for the year ended March 31, 2016 (2015: $1,338). The Corporation is not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2015 the Management Employees Pension Plan reported a surplus of $299,051 (2014 surplus $75,805), the Public Service Pension Plan reported a deficit of $133,188 (2014 deficit $803,299) and the Supplementary Retirement Plan for Public Service Managers reported a deficit of $16,305 (2014 deficit $17,203).

Note 12 Financial Risk Management

The Corporation has the following financial instruments: accounts receivable, accounts payable and accrued liabilities.

The Corporation has exposure to the following risks from its use of financial instruments: interest rate risk, liquidity risk, other price risk and credit risk.

(a) Interest rate risk

Interest rate risk is the risk that the rate of return and future cash flows on the Corporation's short-term investments will fluctuate because of changes in market interest rates. As the Corporation invests in short term deposits and accounts payable which are non-interest bearing, the Corporation is not exposed to significant interest rate risk relating to its financial assets and liabilities.

(b) Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting obligations associated with financial liabilities. The Corporation enters into transactions to purchase goods and services on credit. Liquidity risk is measured by reviewing the Corporation's future net cash flows for the possibility of negative net cash flow. The Corporation manages the liquidity risk resulting from its accounts payable obligations by maintaining cash resources and investing in short-term deposits.

(c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Price risk is managed by holding short-term deposits.

(d) Credit risk

The Corporation is not exposed to any significant credit risk from potential non-payment of accounts receivable. As at March 31, 2016, the balance of accounts receivables does not contain amounts that are past due or uncollectible.

Note 13 Comparative Figures

Certain 2015 figures have been reclassified to conform to the 2016 presentation.

Note 14 Approval of Financial Statements

The financial statements were approved by the Board of Directors on May 12, 2016.

Travel Alberta
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual
Salaries, Wages and Employee Benefits	$ 9,911	$ 9,406	$ 9,722
Supplies and Services	39,544	39,454	39,957
Grants[1]	7,000	7,070	6,730
Financial Transactions and Other	-	4	15
Amortization of Tangible Capital Assets	54	54	79
	$ 56,509	$ 55,988	$ 56,503

[1] Grants include the Corporation's Co-operative Marketing Investment Program and other grants.

Schedule 2

Travel Alberta
Schedule to Financial Statements
Salary and Benefit Disclosure
Year Ended March 31, 2016
(in thousands)

	2016				2015
	Base Salary[1]	Other Cash Benefits[2]	Other Non-Cash Benefits[3]	Total	Total
Chair of the Board of Directors	$ -	$ 24	$ 1	$ 25	$ 28
Members of the Board of Directors[4]	-	37	6	43	44
Executives					
Chief Executive Officer	230	4	56	290	420
Chief Marketing Officer[5]	-	-	-	-	130
Vice President, Business Development[6]	152	1	41	194	-
Vice President, Global Consumer Marketing[7]	149	8	40	197	-
Vice President, Industry Development	168	-	45	213	262
Vice President, Community Relations Vice President, Finance and Corporate Administration[8]	132	-	38	170	168
	80	2	29	111	252
	$ 911	$ 76	$ 256	$ 1,243	$ 1,304

[1] Base salary includes regular salary.
[2] Other cash benefits include honoraria and vacation payouts.
[3] Other non-cash benefits include Corporation's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plan, health care, dental coverage, group life insurance, professional memberships and tuition fees.
[4] The board consists of eight independent members including the Chair, whose honorarium is disclosed separately. In addition, the Deputy Minister of Culture and Tourism sits on the Board but receives no compensation from the Corporation.
[5] The Chief Marketing Officer Position was abolished on November 1, 2014.
[6] The Vice President, Business Development assumed the new created position on May 1, 2015.
[7] The Vice President, Global Consumer Marketing assumed the new created position on May 13, 2015.
[8] A new Vice President, Finance and Corporate Administration assumed the position and the new position title on December 6th, 2015. The previous Vice President, Operations & Chief Financial Officer left the equivalent position on May 29th, 2015.

Travel Alberta
Schedule to Financial Statements
Related Party Transactions
Year Ended March 31, 2016
(in thousands)

Related parties include those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements, and also include companies associated with members of the Corporation's Board of Directors. The Corporation and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

Related parties also include:
-Two private companies which have a significant shareholder acting as a director and officer who has served as a Director of Travel Alberta since April 1, 2013. One of the private companies provides printing services to Travel Alberta amounting to $48 in 2016 (2015 - $22). At March 31, 2016 the company holds a remaining two year contract with Travel Alberta for a remaining maximum contractual obligation of $42. These services are provided on normal commercial terms which represent fair value.

The other private company holds a long term lease with Travel Alberta for its Calgary office premises. The lease has four remaining years at March 31, 2016 with a remaining contractual obligation of $3,976. Travel Alberta entered into the lease contract in September 2009 and paid $946 in 2016 (2015 - $1,018) pursuant to the lease terms. The lease is based on normal commercial terms and the lease terms represented fair value at the inception of the lease.

- A globally integrated enterprise which has one of its Canadian executives serving as a Director of Travel Alberta since April 1, 2013. The enterprise provides IT services to Travel Alberta amounting to $1,015 in 2016 (2015 - $13). At March 31, 2016 the enterprise holds a remaining one year service contract with Travel Alberta for a remaining maximum contractual obligation of $1,003. These services are provided on normal commercial terms which represents fair value

Travel Alberta
Schedule to Financial Statements
Related Party Transactions
Year Ended March 31, 2016
(in thousands)

The Corporation had the following transactions with related parties recorded in the Statement of Operations and in the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Revenues				
Government of AB Transfer	$ 54,450	$ 56,264	$ -	$ -
Other Revenue	-	-	9	18
	$ 54,450	$ 56,264	$ 9	$ 18
Expenses				
Grants	$ 116	$ 64	$ -	$ -
Other services	-	-	2,021	1,066
	$ 116	$ 64	$ 2,021	$ 1,066
Tangible Capital Assets Transferred In (Out)	$ -	$ -	$ -	$ -
Receivable from	$ -	$	$ 3	$ 3
Payable to	$ 10	$ -	$ 81	$ 58
Contractual Obligations	$ -	$ -	$ 5,021	$ 6,080

The Wild Rose Foundation

Financial Statements

March 31, 2016

The Wild Rose Foundation
Financial Statements
March 31, 2016

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Change in Net Financial Assets

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Related Party Transactions

Schedule 3 – Allocated Costs

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Minister of Culture and Tourism

Report on the Financial Statements

I have audited the accompanying financial statements of The Wild Rose Foundation, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of The Wild Rose Foundation as at March 31, 2016, and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

June 6, 2016

Edmonton, Alberta

The Wild Rose Foundation
Statement of Operations
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual
Revenues			
Investment Income	$ 40	$ 53	$ 78
Premiums, Fees and Licences	117	105	77
Other Revenue			
Donations	34	-	32
Miscellaneous Revenue	-	1	2
	191	159	189
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Vitalize Conference for Volunteers	191	530	669
Annual Operating Deficit	$ -	$ (371)	$ (480)
Accumulated Surplus, Beginning of Year		6,538	7,018
Accumulated Surplus, End of Year		$ 6,167	$ 6,538

The accompanying notes and schedules are part of these financial statements.

The Wild Rose Foundation
Statement of Financial Position
As at March 31, 2016
(in thousands)

	2016	2015
Financial Assets		
Cash and Cash Equivalents (Note 5)	$ 6,167	$ 6,523
Accounts Receivable (Note 6)	-	1
	6,167	6,524
Net Financial Assets	6,167	6,524
Non-Financial Assets		
Prepaid Expenses	-	14
	-	14
Net Assets	$ 6,167	$ 6,538
Net Assets		
Accumulated Surplus	$ 6,167	$ 6,538

Contractual Obligations (Note 7)

The accompanying notes and schedules are part of these financial statements.

The Wild Rose Foundation
Statement of Change in Net Financial Assets
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual
Annual Operating Deficit	$ -	$ (371)	$ (480)
Change in Prepaid Expenses		14	(8)
Decrease in Net Financial Assets in the Year	$ -	$ (357)	$ (488)
Net Financial Assets, Beginning of Year		6,524	7,012
Net Financial Assets, End of Year		$ 6,167	$ 6,524

The accompanying notes and schedules are part of these financial statements.

The Wild Rose Foundation
Statement of Cash Flows
Year Ended March 31, 2016
(in thousands)

	2016	2015
Operating Transactions		
Annual Operating Deficit	$ (371)	$ (480)
Decrease (Increase) in Prepaid Expenses	14	(8)
Decrease in Accounts Receivable	1	-
Cash (Applied to) Operating Transactions	(356)	(489)
Cash and Cash Equivalents at Beginning of Year	6,523	7,012
Cash and Cash Equivalents at End of Year	$ 6,167	$ 6,523

The accompanying notes and schedules are part of these financial statements.

The Wild Rose Foundation
Notes to the Financial Statements
March 31, 2016

Note 1 Authority and Purpose

The Wild Rose Foundation (Foundation) operates under the authority of the *Wild Rose Foundation Act*, Chapter W-8, Revised Statutes of Alberta 2000.

The purposes of the Foundation were:

- to provide funding to volunteer, non-profit organizations that provide valuable services to Albertans;
- to foster or promote the use of volunteers, or to assist those who volunteer or use the services of volunteers in Alberta; and
- to foster or promote charitable, philanthropic, humanitarian, or public spirited acts or to assist those who perform them.

The Foundation is an agent of the Crown in right of Alberta and as such has a tax exempt status.

Budget 2016 announced the dissolution of The Wild Rose Foundation and the transfer of its activities and responsibilities to the Department of Culture and Tourism.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards (PSAS).

(a) Reporting Entity

The reporting entity is the Wild Rose Foundation, which is part of the Ministry of Culture and Tourism (Ministry) and for which the Minister of Culture and Tourism (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Donations and Non-Government Contributions

Donations and non-government contributions are received from individuals, corporations, and private sector not-for-profit organizations. Donations and non-government contributions may be unrestricted or externally restricted for operating or capital purposes.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenues (continued)

Donations and Non-Government Contributions (continued)

Unrestricted donations and non-government contributions are recorded as revenue in the year received or in the year the funds are committed to the Foundation if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted donations, non-government contributions, and realized and unrealized gains and losses for the associated externally restricted investment income are recorded as deferred revenue if the terms for their use, or the terms along with the Foundation's actions and communications as to the use, create a liability. These resources are recognized as revenue as the terms are met and, when applicable, the Foundation complies with its communicated use.

In-kind donations of services and materials are recorded at fair value when such value can reasonably be determined. While volunteers contribute a significant amount of time each year to assist the Foundation, the value of their services is not recognized as revenue and expenses in the financial statements because fair value cannot be reasonably determined.

Investment Income

Investment income includes interest income earned on the Consolidated Cash Investment Trust Fund of the Province of Alberta accounts.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed. Transfers include entitlements, grants and transfers under shared cost agreements.

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the government's budget documents.

Incurred by Others

Services contributed by other entities in support of the Foundation operations are not recognized and are disclosed in Schedule 2 and allocated to programs in Schedule 3.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Valuation of Financial Assets and Liabilities

The Foundation's financial assets and liabilities are generally measured as follows:

Financial Statement Component	Measurement
Cash and Cash Equivalents	Cost
Accounts Receivable	Lower cost or net recoverable value
Accounts Payable and Accrued Liabilities	Cost

Financial Assets

Financial assets are the Foundation's financial claims on external organizations and individuals.

Accounts Receivable

Accounts receivable are recorded at the lower of cost or net recoverable value. A valuation allowance is recorded when recovery is uncertain.

Liabilities

Liabilities represent present obligations of the Foundation to external organizations and individuals arising from transactions or events occurring before the year end. They are recorded when there is an appropriate basis of measurement and management can reasonably estimate the amount.

Liabilities also include:

- all financial claims payable by the Foundation at the year end; and
- contingent liabilities where future liabilities are likely.

Non Financial Assets

Non-financial assets are limited to prepaid expenses.

Prepaid Expenses

Prepaid expenses are recorded at cost and amortized based on the terms of the agreement.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Change in Accounting Policy

Adoption of the Net Debt Presentation

The net debt presentation (with reclassification of comparatives) has been adopted for the presentation of financial statements. Net debt or net financial assets is measured as the difference between the Foundation's financial assets and liabilities.

The effect of this change results in changing the presentation of the Statement of Financial Position and adding the Statement of Change in Net Financial Assets.

Note 3 Future Accounting Changes

In June 2015 the Public Sector Accounting Board issued the following accounting standards:

- **PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions (effective April 1, 2017)**
  PS 2200 defines a related party and establishes disclosures required for related party transactions; PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)**
  PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; PS 3380 defines and establishes disclosure standards on contractual obligations rights. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**
  This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities. Management is currently assessing the impact of these standards on the financial statements.

Note 3 Future Accounting Changes (continued)

PS 3450 Financial Instruments
In June 2011 the Public Sector Accounting Board issued this accounting standard effective April 1, 2019. The Foundation has not yet adopted this standard and has the option of adopting it in fiscal year 2019-20 or earlier. Adoption of this standard requires corresponding adoption of: PS 2601 Foreign Currency Translation; PS 1201 Financial Statement Presentation; and PS 3041 Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments. Management is currently assessing the impact of these standards on the financial statements.

Note 4 Subsequent Event

Budget 2016 announced the dissolution of the Foundation. All assets, liabilities and obligations will be transferred to the Department of Culture and Tourism.

Note 5 Cash and Cash Equivalents
(in thousands)

Cash and cash equivalents in the amount of $6,167 (2015 - $6,523) consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is administered by the Ministry of Treasury of Treasury Board and Finance with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital.

The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2016, securities held by CCITF had a time-weighted return of 0.8 % (2015 – 1.2%) per annum. Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 6 Accounts Receivable
(in thousands)

	2016			2015
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ -	$ -	$ -	$ 1

Accounts receivable are unsecured and non-interest bearing.

The Wild Rose Foundation
Notes to the Financial Statements
March 31, 2016

Note 7 Contractual Obligations
(in thousands)

Contractual obligations are obligations of the Foundation to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2016	2015
Service Contracts	$ -	$ 391

There are no estimated future payments requirements.

Note 8 Comparative Figures

Certain 2015 figures have been reclassified to conform to the 2016 presentation.

Note 9 Approval of Financial Statements

The financial statements were approved by the senior financial officer and the deputy minister.

Schedule 1

The Wild Rose Foundation
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year Ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual
Supplies and Services			
Contracted and Other Services	$ 39	$ 371	$ 644
Travel	1	5	18
Materials and Supplies	1	3	7
Supplies and Services from Support Service Arrangements with Related Parties[1]	150	150	-
Other	-	1	-
	$ 191	$ 530	$ 669

[1] The Foundation receives program related administrative services from the Department of Culture and Tourism.

Schedule 2

The Wild Rose Foundation
Schedule to Financial Statements
Related Party Transactions
Year Ended March 31, 2016
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Foundation had no transactions with related parties recorded in the Statement of Operations or in the Statement of Financial Position.

The Foundation had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Expenses – Incurred by Others				
Business Services	$ -	$ -	$ -	$ 21
	$ -	$ -	$ -	$ 21

The Wild Rose Foundation
Schedule to Financial Statements
Allocated Costs
Year Ended March 31, 2016
(in thousands)

	2016			2015
		Expenses – Incurred by Others		
Program	Expenses[1]	Business Services	Total Expenses	Total Expenses[2]
Vitalize Conference for Volunteers	$ 530	$ -	$ 530	$ 690
	$ 530	$ -	$ 530	$ 690

(1) Expenses – Directly Incurred as per Statement of Operations.
(2) The Department of Treasury Board and Finance provided internal audit services.

Other Information - unaudited

Ministry of Culture and Tourism
Statements of Writeoffs Year Ended March 31, 2015

The following has been prepared pursuant to section 23 of the *Financial Administration Act*. This statement includes all writeoffs made or approved during the fiscal year. There were no remissions or compromises.

Writeoffs	
Accounts Receivable	$3,958.10
Inventory	$44,028.54
Tangible Capital Assets	$439,066.16
Total Writeoffs	$541,052.80

Other Statutory Reports

Public Interest Disclosure (Whistleblower Protection) Act

Section 32 of the *Public Interest Disclosure Act* requires the ministry to report annually on the following parts of the Act:

> (a) the number of disclosures received by the designated officer of the Public Interest Disclosure Office, the number of disclosures acted on and the number of disclosures not acted on by the designated officer;
> (b) the number of investigations commenced by the designated officer as a result of disclosures;
> (c) in the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations made or corrective measures taken in relation to the wrongdoing or the reasons why no corrective measure was taken.

In 2015-16 for the ministry, there were no disclosures of wrongdoing or investigations undertaken by the Public Interest Disclosure Office.

Acts Administered by Culture and Tourism

The Ministry of Culture and Tourism is responsible for a wide array of acts that have a direct impact on quality of life in Alberta. Below is a list of all the acts administered by the ministry. The acts are available on the ministry's website (www.culture.alberta.ca/about/legislation/).

NAME OF ACT	DESCRIPTION
Alberta Centennial Medal Act	Establishes the Centennial Medal and the process to award medals to outstanding Albertans and to honour their outstanding achievements.
Alberta Foundation for the Arts Act	Establishes the foundation with its mandate to support and contribute to the development of and to promote the arts in Alberta; development to provide persons and organizations with the opportunity to participate in the arts in Alberta; to foster and promote the enjoyment of works of art by Alberta artists; to collect, preserve and display works of art by Alberta artists; to encourage artists resident in Alberta in their work.
Alberta Sport Connection Act	Establishes the corporation with its mandate to develop and maintain sport programs, facilities and services; and to raise funds to assist the corporation in carrying out its objects.
Emblems of Alberta Act	Establishes provincial emblems and governs the reproduction and use of emblems.
Film and Video Classification Act	Provides a comprehensive procedure for the classification and regulation of films, and provides for the dissemination of information concerning the nature and content of films.
First Nations Sacred Ceremonial Objects Repatriation Act	Provides the mechanism for the repatriation of First Nations sacred ceremonial objects.
Foreign Cultural Property Immunity Act	Provides immunity from seizure of foreign cultural property in Alberta.
Glenbow-Alberta Institute Act	Enables the Glenbow-Alberta Institute to hold and administer grants and to foster historical, cultural and scientific activities in Alberta.
Government House Act	Establishes the foundation and sets out its mandate to advise the minister on the preservation of Government House as a historic site and building and to inform and stimulate the interest of the public in the historical and architectural development of Government House.
Historical Resources Act	Provides for the use and protection of historic resources; establishes the Historic Resources Fund and The Alberta Historical Resources Foundation.
Holocaust Memorial Day and Genocide Remembrance Act	Establishes Yom ha-Shoah – Holocaust Memorial Day.
Queen Elizabeth II Golden Jubilee Recognition Act	Establishes special awards and scholarships that honour Alberta youth in recognition of the Queen's Golden Jubilee.

Acts Administered by Culture and Tourism

NAME OF ACT	DESCRIPTION
Travel Alberta Act	Establishes the corporation with its mandate to market the tourism assets, attractions and opportunities present in Alberta in domestic, national and international markets; to promote Alberta as a destination for tourists and other visitors; and to assist Alberta's tourism industry operators to market their products.
Ukrainian Famine and Genocide (Holodomor) Memorial Day Act	Establishes Ukrainian Famine and Genocide (Holodomor) Memorial Day.
Wild Rose Foundation Act	Establishes the foundation and sets out its mandate to provide funding to volunteer non-profit organizations that provide valuable services to Albertans; to foster or promote the use of volunteers or to assist those who volunteer or use the services of volunteers in Alberta; to foster or promote charitable, philanthropic, humanitarian, public-spirited, or generous acts or to assist those who perform them.

Readership Survey

Culture and Tourism 2015-16 Annual Report

Thank you for reading the Culture and Tourism 2015-16 Annual Report. We hope that you will take a few minutes to complete this readership survey. We are committed to continuous improvement and welcome your feedback and suggestions.

Instructions:
Please read each question carefully and circle the rating that best describes your response. If you require more space for your response, please use a separate piece of paper and identify the corresponding question clearly. If you have any questions, or require further clarification, contact Richard Williams at 780-643-1978 or Richard.Williams@gov.ab.ca.

If you would like to be contacted regarding your feedback, please provide your information below.

Name:

Organization:

Telephone Number:

Email:

1. Having read the *Culture and Tourism 2015-16 Annual Report*, how would you rate it overall on the following characteristics? Using scale one to five, where ONE is STRONGLY DISAGREE, THREE is NEUTRAL, and FIVE is STRONGLY AGREE, do you agree that... *(Please circle only one rating number for each statement.)*

	strongly disagree		neutral		strongly agree
I learned something new about the ministry reading this report	1	2	3	4	5
This annual report is easy to read	1	2	3	4	5
This annual report was informative and useful to me	1	2	3	4	5
The report has an appealing format/look	1	2	3	4	5
I can easily find information that I am looking for	1	2	3	4	5
I plan on using this annual report as a reference	1	2	3	4	5
Overall, this annual report meets my needs as a reader	1	2	3	4	5

2. What areas or features did you like the most about this annual report?

_____

_____

_____

3. What areas or features would you recommend for further improvement?

_____

_____

Please complete and fax it to 780-427-0255 or mail it to Culture and Tourism, Planning and Performance Measurement, 7th Floor, Standard Life Centre, 10405 Jasper Avenue, Edmonton, Alberta, Canada, T5J 4R7.

June 2016

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